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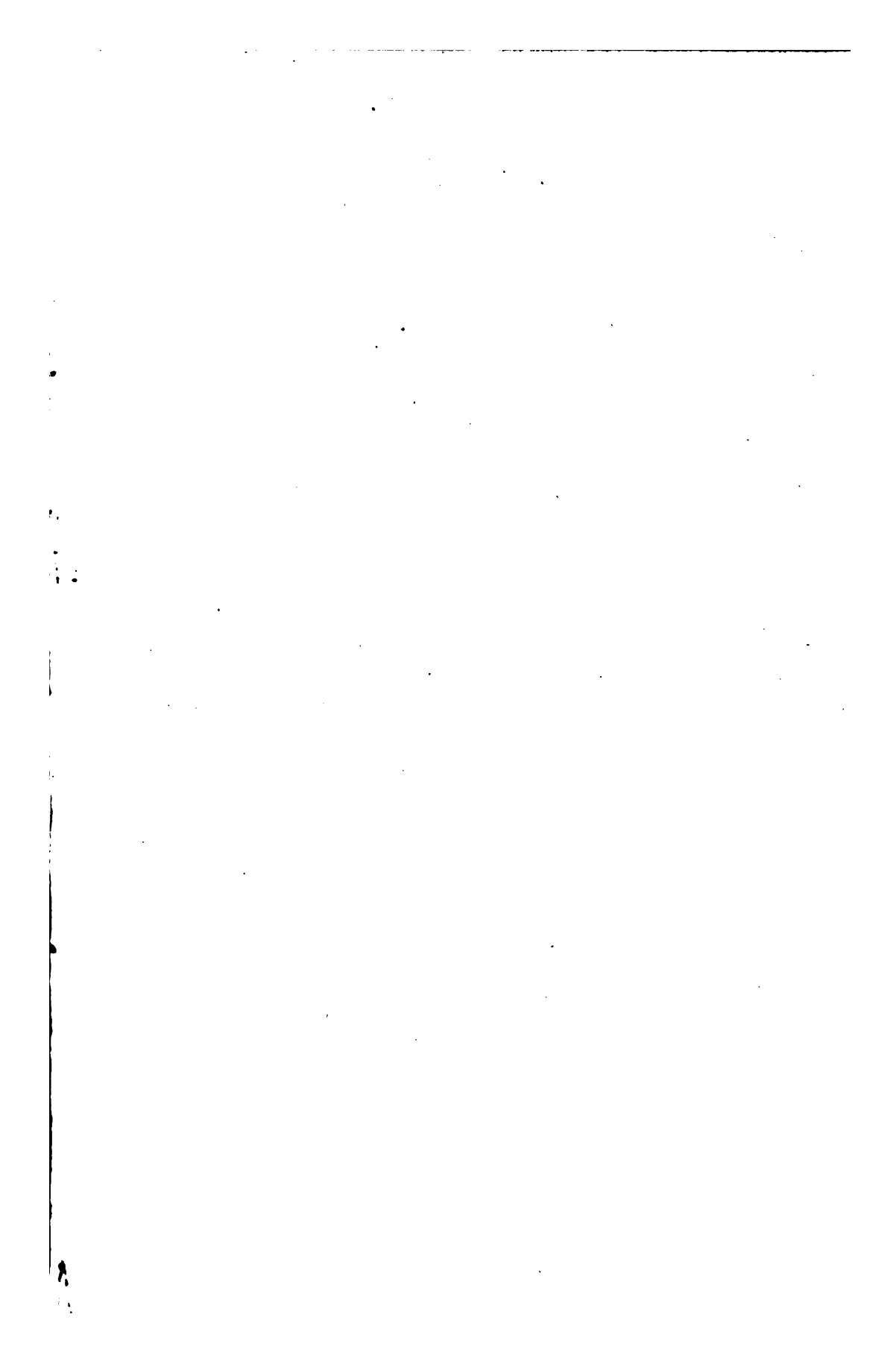
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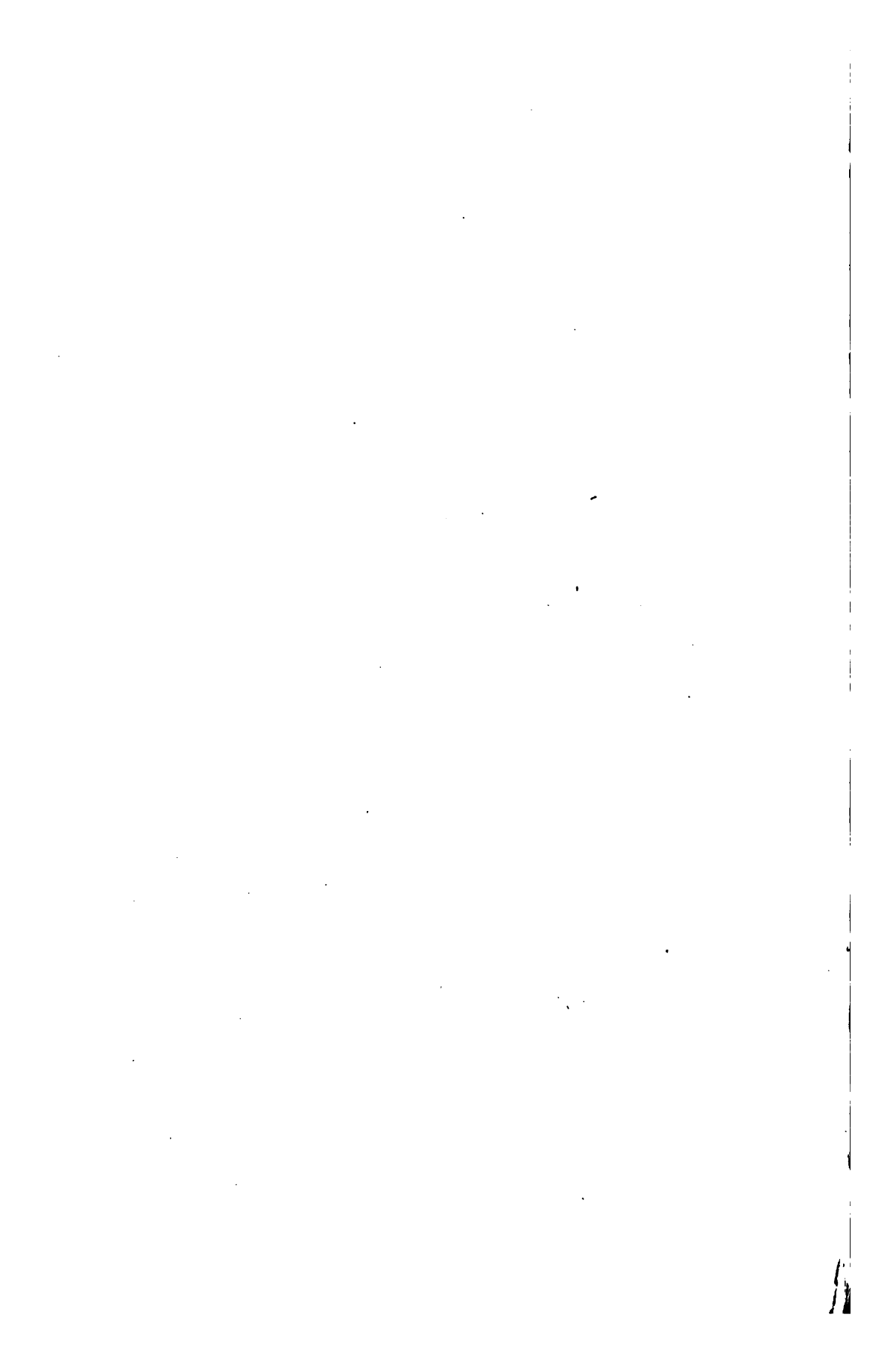


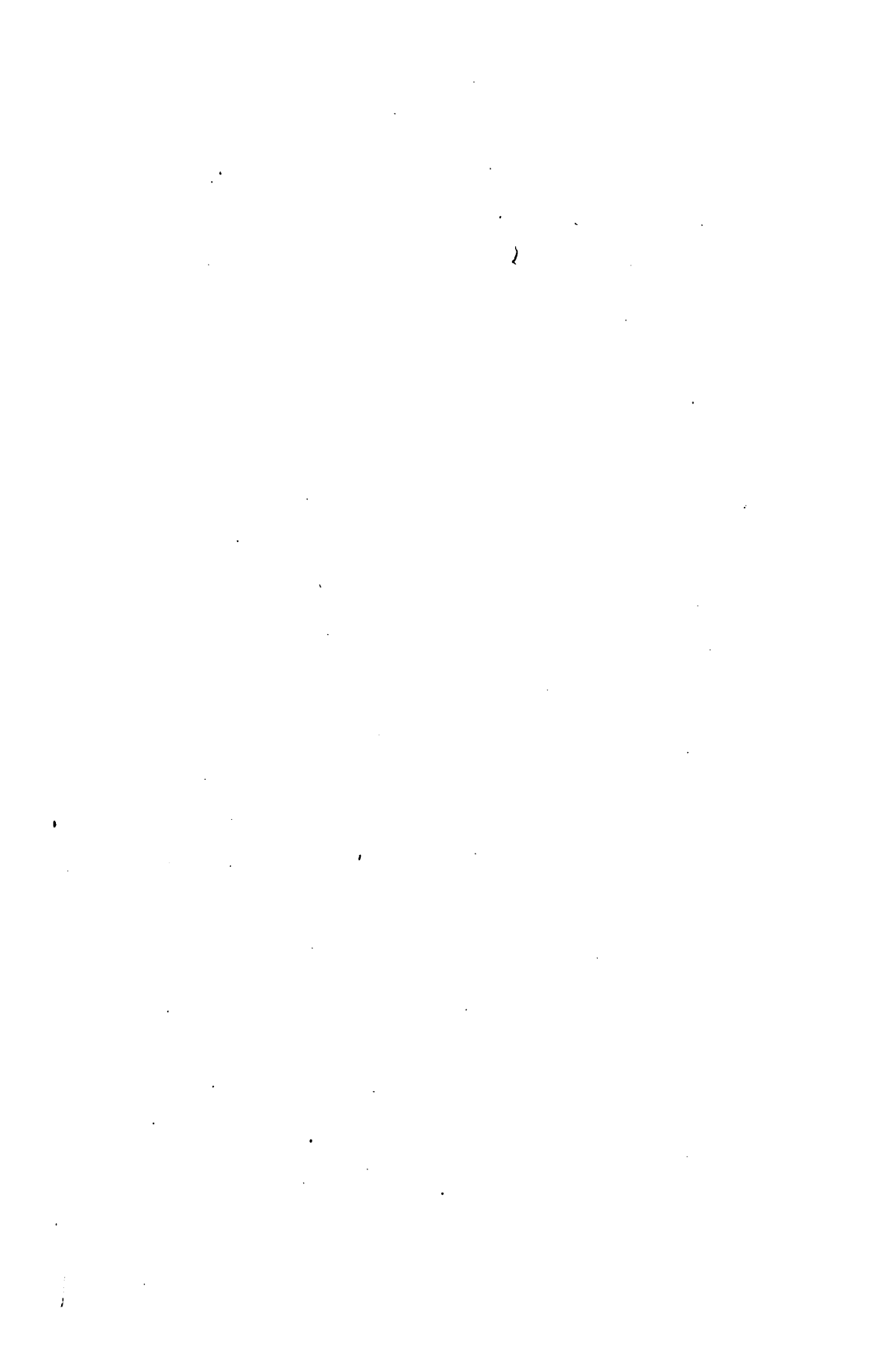
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PHILIPPINE TARIFF BILL

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HEARINGS

BEFORE THE

COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES

61ST CONGRESS : : 1ST SESSION

APRIL 20, 1909



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COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
SIXTY-FIRST CONGRESS.

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SAMUEL W. MCCALL,
EBENEZER J. HILL,
HENRY S. BOUTELL,
JAMES C. NEEDHAM,
WILLIAM A. CALDERHEAD,
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JOSEPH H. GAINES,
NICHOLAS LONGWORTH,

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PHILIPPINE TARIFF BILL.

COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
Tuesday, April 20, 1909.

The committee was called to order at 10.10 a. m., with Hon. Sereno E. Payne in the chair.

STATEMENTS OF BRIG. GEN. CLARENCE R. EDWARDS, CHIEF BUREAU OF INSULAR AFFAIRS, WASHINGTON, D. C., COL. GEORGE R. COLTON, INSULAR COLLECTOR OF CUSTOMS, AND MR. JOHN S. HORD, COLLECTOR OF INTERNAL REVENUE, MANILA, P. I.

The CHAIRMAN. Mr. Hord, will you please give the reporter your full name, your address, and the position you occupy?

Mr. HORD. John S. Hord, collector of internal revenue, Manila, P. I. General Edwards and Colonel Colton expected to be here at 10.30; they must have been unavoidably delayed.

The CHAIRMAN. Mr. Hord, how long have you been connected with the Philippine Islands service as collector of internal revenue?

Mr. HORD. I have been in the islands six years.

The CHAIRMAN. Before that were you in the Philippine Islands?

Mr. HORD. No, sir; I was collector of internal revenue in Porto Rico for four years before that.

The CHAIRMAN. You have been engaged actively in the preparation of this proposed tariff bill, have you not?

Mr. HORD. I have been conversant with it.

The CHAIRMAN. Who have you been associated with in that work?

Mr. HORD. Colonel Colton, who is collector of customs at Manila.

The CHAIRMAN. Any others?

Mr. HORD. Yes; the officials of the Insular Bureau of the War Department at Washington.

The CHAIRMAN. I have seen it stated that a committee or a commission of fifteen had approved of the bill. Is there anything in that?

Mr. HORD. Colonel Colton, who is collector of customs at Manila, with his board of tariff experts, prepared the bill and has been holding public sessions in Manila during the last six months. All the merchants and importers of the Philippine Islands appeared before this board in the preparation of this new tariff that he has submitted.

The CHAIRMAN. You may go on in your own way, Mr. Hord, and explain the bill, setting out the commercial situation in the Philippine Islands, as well as the reasons for the enactment of the bill into law.

Mr. HORD. As I understand it, my hearing is in connection with the special tariff bill for the islands, and not the provisions in the other tariff bill that is pending.

The CHAIRMAN. Please give the committee the fullest information that you have as to the propriety of enacting this bill into law, and give the reasons that led up to it, including the commercial relations and statistics of the islands, in connection with the general tariff bill or otherwise. You may state it in your own way.

Mr. HORD. I had prepared on yesterday, upon your suggestion, these tables of imports, exports, and production of the islands, which have been printed and are before you. They give all the figures under the various schedules of the trade of the islands. It is shown in detail for the last fiscal year. In the figures I have included the imports and exports of the islands for forty years under the Spanish régime before American occupation. Do you wish me to make an analysis of these figures, a digest and an explanation of the movements of trade, and so forth?

The CHAIRMAN. Yes; you may do it in your own way. Please state what you think is essential for the consideration of the committee in connection with this bill.

Mr. NEEDHAM. In the first place, please state why it is necessary to have a revision.

Mr. HORD. Under the changed conditions of commerce there, as Colonel Colton, the collector of customs, has explained, the difficulty appears to be in the admission of American products under the regulations that were adopted some years ago. We want to provide for the ready admission of American products, and a large part of the necessity for this new bill is to revise the regulations. Then, it has been provided here that such rates shall be enacted as experience has shown will make it possible for American goods to come in in competition with foreign goods. In brief, those are the two principal reasons. Colonel Colton, when he arrives, will no doubt state the reasons in detail for the revision.

Mr. HILL. Please tell us what the difficulties are with American importations. Why is it that it is difficult for the Americans to get in there?

Mr. HORD. Well, one reason has been because the rates were not logical. There had not been sufficient experience to enable them to make the rates the exact amounts which would produce the most trade between the United States and the Philippines. In the second place, the fault is, to a certain extent, with the American exporter, and we believe that if the schedules are made clear here, the American exporters will be able to ship as we desire.

Mr. CLARK. But Congress can not remedy that. That can only be remedied by the manufacturers and the shippers themselves. What is it that you are up to? Are you trying to get more revenue for the Philippine Islands, or simply to regulate commerce, or both?

Mr. HORD. Under the provisions of the tariff law that is now before Congress, there will be a reduction of anywhere from a million and a half to two million dollars a year in the revenues of the islands.

Mr. CLARK. Reduction in what?

Mr. HORD. Due to the free admission of American goods into the Philippine Islands that now pay customs duties, but which would not pay in the future.

Mr. CLARK. Does that grow out of the provisions of the Payne bill?

Mr. HORD. Yes, sir.

Mr. CLARK. Then perhaps we had better modify that.

The CHAIRMAN. That grows out of the admission of tobacco and sugar free of duty up to a certain per cent; largely, but not altogether.

Mr. CLARK. I would like to ask the chairman a question. What is the reason for our taking up this bill until the tariff bill that is now before Congress is passed? You can not tell where you are going to land.

The CHAIRMAN. Because that bill may be changed in the Senate or in conference. After the tariff bill was reported by the committee of the House the Insular Bureau wanted to change the Philippine part of it to include every importation, not only of the products of the Philippine Islands, but also of the manufactures. The manufactures of the Philippine Islands include cigars made from tobacco—Sumatra tobacco, which pays a rate of duty of \$1.85 per pound coming into the United States, and to admit the manufactured cigars free of duty into the United States. The duty on Sumatra tobacco coming in from the Philippines is 23 cents a pound under the present tariff law. They were quite insistent that the word "manufactures" should go in, but the majority of the committee did not deem it wise to put that into the bill. I understand that the Senate proposes to put it into the bill. If that is done, then it is quite essential that this law should be passed. I do not know, however, but that it would be a better thing to pass it through the House and let the Senate put it on as an amendment to the general tariff bill now being considered there, although I have been quite opposed to mixing up the two. But it seems to be necessary to have a law that shall increase the duties on tobacco and on sugar coming into the islands, those two products being the principal items affected, to the same rate of duty paid upon them when coming into the United States, otherwise they would come through the islands into the United States free of duty. That is one necessity for action now.

Mr. CLARK. But there are all sorts of propositions pending in the Senate.

The CHAIRMAN. That is correct.

Mr. CLARK. And some of them, I do not suppose, will meet with any considerable amount of approbation. Senator Stone, from my State, has a proposition (which he seems to be very much interested in) for absolute free trade with the Philippine Islands. His proposition is to give them that privilege for fifteen years, in the trading that goes on over there in lumber and sugar.

The CHAIRMAN. But if the bill passes in the shape in which I understand the Senate Finance Committee are ready to recommend it, it will cut off this revenue upon sugar and tobacco coming into the United States from the islands.

Mr. CLARK. It is absolutely clear, if you are going to hang onto it, that the same tariff applying to foreigners bringing their goods into the islands should be applied here.

The CHAIRMAN. Mr. Hord, you say that you are the collector of internal revenue at Manila. What amount of internal revenue are you collecting in the islands annually?

Mr. HORD. Between eleven and twelve million pesos, or five and one-half to six million dollars gold.

The CHAIRMAN. About how much was it immediately after the occupation of the islands by the United States?

Mr. HORD. It was in the same neighborhood, if you include the surtaxes that the Spanish Government imposed for the benefit of municipalities and provinces. Our collections now, in bulk sum, are about the same amount.

The CHAIRMAN. Then we have changed that, in matters of that kind, from a direct taxation, land taxes, to internal-revenue taxes?

Mr. HORD. The Spanish Government had no land tax, but the Americans imposed that tax. The collection of it has been suspended for a matter of three years; and from the internal-revenue collections on liquors and cigars, the amounts that the provinces received from the land taxes have been refunded to them, and the land tax has been suspended.

The CHAIRMAN. The land tax has been suspended by us for the last three years, has it not, and has not been collected?

Mr. HORD. It was imposed by us and then suspended because the lands were nonproductive.

The CHAIRMAN. How does the internal-revenue tax work, smoothly or otherwise?

Mr. HORD. It now works smoothly. There was a great deal of opposition to it, but for the last two or three years there has been practically no opposition; and that is the history of internal-revenue taxes in the United States, going back to the time when it was first imposed.

The CHAIRMAN. The people of that country are great consumers of tobacco, are they not?

Mr. HORD. Yes, sir; they consume 10,000,000 cigarettes a day.

The CHAIRMAN. What is the tax on cigarettes?

Mr. HORD. It is 33 cents gold per thousand and will be increased on the 1st of January next year, by operation of law, to 50 cents gold per thousand.

The CHAIRMAN. They are very moderate consumers of intoxicants, are they not?

Mr. HORD. Yes, sir; but they consume 10,000,000 liters of proof spirits per year, which is only a merest fraction of the consumption here.

Mr. CLARK. Please state how much a liter is.

Mr. HORD. A liter is about 1.1 quarts.

Mr. CLARK. Then that is 1.1 quarts per capita, is it not?

Mr. HORD. A little over. There are about 8,000,000 people there.

Mr. NEEDHAM. Where does the proof spirits come from? Is it produced in the islands?

Mr. HORD. Yes, sir.

Mr. NEEDHAM. What is the percentage of alcohol?

Mr. HORD. About half that of whisky; that is, about 40 per cent proof.

The CHAIRMAN. The people are also large consumers of cigars, are they not?

Mr. HORD. No, sir; not to any great extent.

Mr. CLARK. How much are the entire revenues of the Philippine Islands from all sources?

Mr. HORD. The insular revenues are from twenty-one to twenty-two million pesos, or from ten to twelve million dollars.

Mr. CLARK. That is the total revenue of the Philippine government proper?

Mr. HORD. The central government; the insular government.

Mr. CLARK. How do they get the money to run these towns or counties or municipalities, or whatever you call them?

Mr. HORD. Due to the suspension of land taxes, and other minor local taxes, there were larger sums allotted from the internal-revenue collections from the government revenues.

Mr. CLARK. Then they do have local taxes?

Mr. HORD. Yes, sir.

The CHAIRMAN. What is the nature of those taxes?

Mr. HORD. Fisheries, markets, and small local taxes.

The CHAIRMAN. Then the bulk of the revenue for the running of the local government comes from the general taxation?

Mr. HORD. They get about 60 per cent of the total internal-revenue taxes. The central government gets only about three million of the internal revenues and the provinces get the rest.

In the city of Manila, which tax we also collect in the bureau of internal revenue, we get about 3,000,000 pesos. That is about one and one-half million dollars additional. Our total collections are almost equal to the customs collections, about 14,000,000 pesos, \$7,000,000.

The CHAIRMAN. So that the direct taxation, aside from the internal revenue on intoxicants, and upon tobacco, is a very small amount?

Mr. HORD. Yes, sir; and customs.

The CHAIRMAN. Aside from the customs and internal revenue it is very small, is it not?

Mr. HORD. Practically all the internal tax is collected on intoxicants and tobacco products, and from the cedula, the personal or poll tax—the capitation tax.

The CHAIRMAN. You have stated how much the internal revenue on liquors and cigars produced, and how much the customs taxation produces. How much does the other taxation produce, the local taxation?

Mr. HORD. Well, it is estimated that the total tax of the islands is 30,000,000 pesos, or \$15,000,000 gold, and that would leave two to three million dollars gold outside of the customs and internal revenue. The circulation of the islands is 35,000,000 pesos, which is about \$2.50 per capita, while the tax is about \$2 per capita.

The CHAIRMAN. I notice, upon looking over these tables, that the United States does not seem to be as great an exporter to the islands as Great Britain, for instance, with respect to most of the articles.

Mr. HORD. About 16 per cent of the imports into the islands during the last few years has been from the United States, and the balance from other countries, England, Germany, and Spain.

Mr. NEEDHAM. What proportion from those three countries?

Mr. HORD. Well, England is highest, because she sends the bulk of all the cotton goods into the islands. The cotton goods constitute 25 per cent of the importations, and England sends \$4,000,000 worth as compared to about a million dollars' worth from the United States. That is shown in Exhibit 1 upon the table that you have before you of the amounts from the various countries. For all commodities the United States exports about \$5,000,000, the United Kingdom about \$6,000,000, Germany about \$2,000,000, France \$821,000, Spain one

million and a half, China two million and a half. Then there are other minor countries. The British East Indies exported \$1,239,000 worth and all other countries about \$10,000,000 worth, making a total of importations of about \$31,000,000. Of those importations, during the last eight years half of it was composed of rice, and cotton goods, the two staple necessities in the islands; that is, the people have sent out of the country \$14,000,000 a year for those two articles; and when there is an increased importation of rice, because of drought in the country, they reduce it upon cotton goods, so that the average during the eight years has been \$7,000,000 for each, although it has gone up as high as \$11,000,000 for rice in one year, and there was a reduction that year of three or four millions of dollars for cotton goods.

The United States has increased its exportations to the Philippine Islands, but not to any great extent. The charts here [indicating] show the movement of customs trade completely since 1901. Before 1901, when war conditions prevailed, it would hardly have been of any use to compile statistics, the conditions then being abnormal, but these charts show the eight normal years. Upon the other side of the screen there are two charts showing the Porto Rican movement of trade since free trade has existed there. There has been a large increase in importations from the States, an increase of about tenfold since the war.

Mr. NEEDHAM. Are you now referring to Porto Rico?

Mr. HORD. Yes, sir; but in the Philippine Islands it has been almost stationary—some increase, but not very much.

Exhibit No. 2, upon the next page, shows the movement from the United States and other countries. In 1901 the United States exported \$2,666,000 worth. In 1902 there had been an increase to over \$4,000,000. In 1903 it was about the same. In 1904 it was \$4,632,000. In 1905, \$5,761,000; in 1906, \$4,300,000; in 1907, \$5,664,000, and in 1908 about \$5,000,000. So for the last four years the United States trade with the Philippine Islands has been stationary. But from 1901 to 1903 it increased from \$2,600,000 to about \$4,000,000. Since then it has been almost stationary.

The CHAIRMAN. What is the reason that you do not get more of that trade; what is the difficulty?

Mr. HORD. Well, we can not increase it, as we did in Porto Rico, until the tariff is taken off. That is the main reason.

The CHAIRMAN. In that connection, will you give us the statistics in connection with Porto Rico?

Mr. HORD. Yes; that will be found in Exhibit No. 12, pages 24 and 25. Porto Rico received free trade with the United States in July, 1901. In that year, \$7,000,000 worth were exported from the United States to Porto Rico. It has increased along at the rate of a million or two a year until 1908, when it was close to \$23,000,000. Porto Rico, at the time of American occupation, had a maximum and a minimum tariff. After the war there was a special tariff imposed; and a year before Porto Rico was given free trade, the Dingley rates were put in the islands, imports to the United States paid 15 per cent of the Dingley rates, and all other countries paid 100 per cent. There has been a big increase in the imports from the United States, consisting almost exclusively of necessities, and Porto Rico has continued the former volume of imports from Europe, consisting mostly of luxuries, so that the customs collections in Porto Rico, notwith-

standing free trade with the United States, are greater to-day than they were when free trade was given to the islands. There was considerable fear at that time—I was there—that free trade with the United States would mean a total abolition of all customs collections; that there would be no revenue. But, as I stated, the customs collections are greater to-day than in 1901 when free trade was first established.

The CHAIRMAN. I see the imports from Porto Rico have increased from \$1,900,000 in 1901 to over \$3,000,000 within the last two years, from other countries than the United States; and the increased imports from the United States have been from \$9,000,000 in 1901 to about \$23,000,000 in 1908.

Mr. GAINES. A comparison of the two tables that you have been using, Exhibit No. 2, relative to the Philippine Islands, and Exhibit No. 12, relative to Porto Rico, shows the total imports into the Philippines from the United States, and all other countries, amounted to \$30,000,000 in 1901, and practically \$31,000,000 in 1908.

Mr. HORD. Yes, about the same.

Mr. GAINES. Whereas the importations to Porto Rico were about \$9,000,000 in 1901 and nearly \$26,000,000 in 1908. Our trade seems to have gone up in Porto Rico because of the larger volume of business, whereas there has been no such increase with respect to the Philippine Islands.

Mr. HORD. No, sir. The United States, in the Philippine Islands, has taken away a small portion of the trade that the islands formerly had with other countries, but the total importations with the Philippine Islands are about the same as eight or nine years ago, while the Porto Rican foreign trade has increased over 300 per cent, and the United States has received the bulk of that increase. The increase in the Porto Rican imports from other countries, from \$1,900,000 in 1901 to over \$3,000,000 in 1908, about 40 per cent, has been due to the prosperity in Porto Rico through her market for sugar and tobacco. If you will turn to Exhibit No. 14, showing the exportation of sugar, tobacco, fruits, and coffee from Porto Rico to the United States, you will notice that there has been just about the same ratio of increase in her exports as there has been in the increased importation from the United States. That is what has made it possible for Porto Rico to increase her importations from the United States in that large ratio.

Mr. CLARK. Why do not the importations from all sources into the Philippine Islands increase? During the last eight or nine years they have had absolute peace over there. Are they not growing?

Mr. HORD. Yes, but they have no markets for their surplus products.

Mr. CLARK. But what is the reason they have no markets, the same as other people have? If they raise anything over there that anybody wants, why do they not ship it out and sell it and buy something with it?

Mr. HORD. They had markets in Europe before American occupation, which they lost.

Mr. CLARK. How did they come to lose them?

Mr. HORD. Because the European tariffs went against them.

Mr. CLARK. The European tariffs went against everybody else at the same time.

Mr. HORD. Yes, but the Philippines had special consideration under Spain which they have not now.

Mr. CLARK. Then they are simply stagnant commercially?

Mr. HORD. Yes, sir.

Mr. GAINES. What was the amount of their trade with Spain prior to the occupation by the United States—prior to the Spanish war?

Mr. HORD. Well, their trade was largely with Spain. It is shown in one of the tables here, Exhibit No. 4, from 1855 down to 1908.

Mr. NEEDHAM. Was that under free trade, or a preferential tariff?

Mr. HORD. Practically free trade.

Mr. GAINES. According to these figures, Exhibit No. 4, their total foreign trade is larger now than it ever has been, excepting in 1902 and 1903, but when you go back of the American occupation their trade was not much more than half what it is to-day; that is, during American occupation it has been about double what it ever was before.

Mr. HORD. The trade was larger seven years ago than to-day.

Mr. HILL. Is not that due to the fact that at the time the American soldiers were there in large numbers the supplies that were sent there were figured in the importations?

Mr. HORD. Yes, sir; largely due to that fact.

Mr. HILL. And also, not only regarding the supplies sent there for the troops, but that the things that were sent there, and which the American soldiers bought, caused these large importations in 1902 and 1903?

Mr. HORD. Yes, sir.

Mr. NEEDHAM. Did the United States pay duty on materials they shipped over there with which to feed the soldiers?

Mr. HORD. To a certain extent, but a large portion of the amount was beer; that is, a large proportion of that additional one to two million dollars.

Mr. NEEDHAM. That is what they consumed outside.

Mr. HORD. There has been a large decrease in the importation of beer in the last few years.

Mr. UNDERWOOD. With reference to the trade between the Philippine Islands and this country, what effect has the adoption of the navigation laws of this country had upon the trade with the Philippines?

The CHAIRMAN. The navigation laws have not gone into effect yet, have they?

Mr. HORD. No, sir; they were suspended.

Mr. NEEDHAM. And are still under suspension?

Mr. HORD. Yes, sir.

Mr. UNDERWOOD. The foreign ships can still carry goods from the United States to the Philippines?

Mr. HORD. Yes, sir.

Mr. UNDERWOOD. What effect would it have on the commerce between the United States and the Philippine Islands if we were to enforce the navigation laws?

Mr. HORD. It would be very unfortunate at present.

Mr. NEEDHAM. Unless we had more ships?

Mr. HORD. Yes, sir.

Mr. UNDERWOOD. Will you please state again, Mr. Hord, the total expenditures by the Philippine government?

Mr. HORD. The insular expenditures are between twenty-two and twenty-three million pesos, or about eleven or twelve million dollars gold.

Mr. UNDERWOOD. That includes the expenditures for the provinces as well as the central government?

Mr. HORD. No, sir, not all; because the provinces collect certain minor revenues of their own.

Mr. UNDERWOOD. It includes all of the revenue collected by the central government and expended by the central government for the provinces?

Mr. HORD. Collected by the central government and allotted for central government purposes. About 60 per-cent of the internal revenue collections is collected by the central government and refunded to the provinces.

Mr. UNDERWOOD. Of that total amount of revenue, how much is derived from the custom-houses?

Mr. HORD. About \$8,000,000 gold.

Mr. UNDERWOOD. And about how much from the internal-revenue taxes?

Mr. HORD. Three or four million dollars.

Mr. UNDERWOOD. And those are the only forms of taxation that the central government derives any revenue from?

Mr. HORD. That is all, outside of some minor revenues. But that is the bulk of it. We have an ice plant out there, and there is some income from rentals of government property, and things of that sort.

Mr. UNDERWOOD. If the Payne bill goes into effect, on what articles, and in what manner, will the Philippine government lose revenue from the effect of that bill?

Mr. HORD. From the fact that about 20 per cent of the present collections—17 per cent, I think it is—is paid on goods coming from the United States into the islands, and that customs tax would no longer be collected.

Mr. UNDERWOOD. That is about 17 per cent of the revenue.

Mr. HORD. Yes, customs revenues.

Mr. UNDERWOOD. The Philippines also received the taxes collected at the custom-houses here upon goods coming from the Philippine Islands to the United States, did they not?

Mr. HORD. Yes, sir.

Mr. UNDERWOOD. How much did that amount to?

Mr. HORD. Well, practically nothing, because hemp is free, and so is copra, and those are the two principal articles exported. There is very little copra exported to the United States.

General EDWARDS. There are about a million pesos collected, and about a million pesos refunded. In regard to the customs duties I will say that Colonel Colton is collector of customs in the Philippines, and is an expert upon that subject. Mr. Hord is collector of internal revenue; and upon the subjects of imports and exports, I would suggest that you interrogate Colonel Colton. The answer of the collector of internal revenue would lead you to infer that all of the 75 per cent of the Dingley duties collected, which are returned to the islands and which is about \$500,000, amounted to nothing, which, in consideration of the final result, is true. What Mr. Hord is attempting to say is that the Philippine exports that we refund to the American rope people were about equal to the benefits that we receive

from 75 per cent of the Dingley duties collected from and covered back into the Philippine Islands treasury, and that one neutralizes the other. But this bill does not purpose to change that preferential that is given to the rope people of this country.

Mr. UNDERWOOD. Then, as I understand it, the loss to the Philippine Islands from the passage of the Payne bill will amount to about 17 per cent on the duties collected on goods going from the United States to the Philippines, and about \$500,000 on goods coming from the Philippine Islands to the United States.

General EDWARDS. On exports that we surrender.

Mr. UNDERWOOD. So that that will make a total loss in dollars of how much?

General EDWARDS. We figure that the total loss due to this bill will be something like 3,000,000 pesos, or a million and a half dollars. We generally talk of the peso as the 50-cent dollar when we speak of the Philippine Islands.

We are prepared to show that an adjustment of the duties will supply that loss ultimately; in other words, the administration has no fear whatever of the temporary loss that will obtain by bringing about this benefit to both countries.

Mr. NEEDHAM. In increased commerce?

General EDWARDS. In increased commerce; naturally the increased purchasing power, under the analogy of Porto Rico and Hawaii; and the fact that our maximum internal-revenue taxes on the two principal products, beer and tobacco, or wines and tobacco, will be effective on the 1st of January. Those taxes are about half as great as they are in Porto Rico, and two-thirds less than they are in the United States, which would be only a reasonable burden. That would be increased 1,600,000 pesos, or about \$750,000. We estimate 1,600,000 pesos by allowing through nonaction the present provisions of law increasing the tax on cigarettes and liquors to go into operation January 1 next. This increase in tax rate should not of itself result in any material decrease in the consumption, especially in view of the fact that the late curtailment of the opium supply as well as other causes has resulted in a 10 per cent increase in consumption of tax-paid cigarettes; that, is from 10,000,000 to 11,000,000 per day. Even at the increased rate Philippine cigarettes will only pay one-half of the Porto Rican rate and only one-third of what the United States rate will be under the Payne bill. By similar nonaction regarding the increase in tax on distilled spirits by operation of existing law on January 1 next, there will be 400,000 pesos (\$200,000) increase. The late concentration and more economical administration of the Philippines distilleries, as well as their more complete supervision by revenue officers, should make the additional 5 centavos per proof liter tax a fairly negligible quantity as regards its effect in decreasing output from the distilleries.

Then the War Department has advocated the following tax: One million two hundred and fifty thousand dollars by increasing the section 139, tax on merchants, from one-third of 1 to a full 1 per cent rate on the value of goods sold. A large and increasing portion of goods subject to this tax is to be relieved from the payment of a customs tax, probably seventy-five times as great as the internal-revenue tax they now pay and twenty-five times as great as the 1 per cent internal-revenue tax now proposed. Prominent Manila

merchants assured Mr. Hord that under the circumstances they would willingly accept the comparatively slight increase in the section 139 tax. Moreover, this is a tax on a species of personal property constantly bringing in profit to its owners, and which is subject to no other tax. House property and real estate in Manila, even though lying idle, now pays $1\frac{1}{2}$ per cent of its value as tax, and equity would seem to demand that the sale value of merchants' goods should be taxed at a rate approximately equal to the real-estate tax. Few, if any, American cities of Manila's size have a personal-property tax rate of less than 1 per cent, and most American cities have a tax considerably higher to which all personal property, even that lying idle, is subject.

Mr. CLARK. Who gets that tax on the real estate of Manila, the city or the General Government?

General EDWARDS. The city; although the National Government in addition pays 30 per cent of the Manila appropriations, instead of paying half, as they do here. There is an arbitrary allotment of 30 per cent for the capital of the Philippines.

Mr. CLARK. What do they do with that? They have not any such amount of property as we have here, have they?

General EDWARDS. Oh, no.

Mr. CLARK. Then that is a sort of gratuity to the city of Manila?

General EDWARDS. Well, there is a great deal of expense on the roads and streets, especially with respect to the sanitation of Manila, and which operates to the benefit of the whole Government.

The CHAIRMAN. How are the new waterworks?

General EDWARDS. The new waterworks are completed, the water is turned on, and the sewers are very nearly completed, and will be completed in a few months. Congress authorized us to sell \$4,000,000 of bonds. We have so far sold only \$3,000,000 worth, and probably only \$500,000 more, in money, will be necessary. I might state that the economy practiced, and the results accomplished, could be compared to the problem that we did have in Havana, where we authorized the sale of sixteen to eighteen million dollars of bonds for sewerage and paving Havana. I think that is one of the most economical and really one of the most satisfactory pieces of work that we have had in the Philippine Islands. We carry the water some 16 miles through large conduits. We have dammed a mountain gorge at Montalban, about 16 miles from Manila, and carry the water to Manila. It gives us an ample supply. The most beneficial result is that in the great scourge there, dysentery, they find by taking the water at the lowest depth the people are relieved from amœbic germs; at least that is indicated from the last reports we have received. In other words, we have put in the whole waterworks and sewer system, and you must recollect that the especial problem there is a good deal like that at New Orleans, where all of the waste has to be pumped into the bay.

The CHAIRMAN. Was that all bought by issuing bonds?

General EDWARDS. All paid out of the proceeds of the sale of bonds. And that is the only obligation upon the city of Manila—it is the only debt they have.

Mr. RANDELL. How much is that debt?

General EDWARDS. Four million dollars. The total debt of the Philippine Islands is \$13,000,000.

The CHAIRMAN. On the city of Manila?

General EDWARDS. On the entire islands. The waterworks property and everything else in the city of Manila is, slangly speaking, "velvet;" in other words, the revenue from the property takes care of the debt.

Mr. CLARK. Is it estimated that the income from the waterworks will pay the interest on the bonds and provide a sinking fund?

General EDWARDS. Absolutely. That is all provided for. That action was all taken before the inauguration of the Philippine assembly. The only criticism has been that we are making a little too great provision for our various sinking funds. You see we have only, on the whole Philippine Islands, a total bonded indebtedness of \$13,000,000. That is, the \$7,250,000 for the purchase of the Friar lands, and the \$5,000,000 for public improvements, taking in the great port works of Manila and the improvements of the rivers and harbors. Then, we have a contingent liability, or rather I better say an authority to guarantee bonds on railroad property, to the total amount of about \$15,000,000. In other words, the act of Congress limits the authority to \$1,200,000 a year guaranty as interest. That is a contingent liability. I fancy there is no country in the world, certainly no dependency, that has so small a per capita bonded indebtedness as the Philippine Islands.

Mr. HILL. The Spanish treaty has expired?

General EDWARDS. Yes, sir.

Mr. HILL. The situation, then, is this, as I understand it, in the Philippine Islands: They are importing here at 25 per cent of the Dingley rates, with hemp free?

General EDWARDS. At 75 per cent of the Dingley rates with hemp and copra, the two principal items, free.

Mr. HILL. And they have a duty against all the nations of the world and the same against the United States as against the other countries?

General EDWARDS. Yes, sir.

Mr. HILL. The proposition is now to have free trade between the United States and the Philippine Islands, and a tariff against the rest of the countries of the world, and this bill is the new tariff to meet the changing conditions upon the expiration of the special treaty with Spain and also the adjustment of relations between the United States and the Philippine Islands. Now, have you made provision in your new internal-revenue act for any falling off of duties collected by the Philippine Islands on former exports by the United States to the Philippine Islands?

General EDWARDS. We have.

Mr. HILL. Then you have that thoroughly covered. Now, what I want to know on the other side is this: If the word "manufactures" goes into the Payne bill and it becomes possible to export manufactures of the United States to the Philippine Islands that are not the growth and product of the United States, but are the manufactures of the United States, and if concurrently the Philippine Islands can import here manufactures of the Philippine Islands not their own production, have you covered in this tariff bill such rates of duty as will protect the United States from having the products of other countries filter into the United States through Philippine manufactures?

General EDWARDS. I think we have, sir; we have certainly attempted to do it. We do not look upon it as a practical menace, if

it may be a theoretical one. The limitations there are practical ones. Labor, capital, and any number of other things absolutely interfere with any such condition. We have attempted to give the United States the market of the Philippine Islands, and we think we have, and we have also taken into account that it is our obligation not to increase the price of living there in a tropical country 10,000 miles from the base. Labor to-day is so scarce there that our rather extensive work on the railroads has taken labor away from the hemp and rice and other ordinary employments. We see no menace whatever to either country. I will mention a specific instance of American wrapping leaf, the Connecticut wrapper, going to Manila and being used in the manufacture of cigars and allowing it to come back in here free. They might get around that by saying that we could establish large bonded warehouses in the Philippine Islands, but that is too expensive and we could not think of doing it. Again, there are a great many articles, for instance, shoes, and any number of other things of that kind in this country that contain a little bit of foreign material that would prevent that material from getting into the Philippine Islands. Take a box of cigars, or rather the box that Philippine cigars are packed in, and there are 16 or 17 different materials that enter into the manufacture that may be imported from the United States. For instance, the nails, the glue, labels, the cotton cloth that is used to bind them. In other words, I have forgotten exactly, but there are 10 or 15 different things that may be imported under this tariff from the United States which if we did not have the word "manufacture" in we would have to collect the full duty on.

Mr. HILL. I recognize the difficulty, of course; but to accomplish what you want, is it not absolutely necessary to have practically the same relations between the Philippines and the United States that you have between Porto Rico and the United States? In other words, direct free trade in all commodities with the United States tariff around the Philippines?

General EDWARDS. I can not fancy any condition which would be disastrous if they got within the tariff wall. There are several things to be considered. In the first place, I doubt whether you gentlemen in your interest in the Philippine Islands would give to the Philippine Islands the complete market of the United States. I think our sugar and tobacco friends, with whom we made the compromise, would make it a practical impossibility to get quid pro quo in that case.

The CHAIRMAN. The efforts during the last three years proved a failure?

General EDWARDS. It put me in the hospital and I have had to give it up. Then, again, there would be an increased cost of living, with which I do not think at this time the Philippines ought to be burdened. Ultimately, if there is any menace of that kind, it always lies in the power of Congress to stop it.

Mr. UNDERWOOD. Will you explain the increased cost of living?

The CHAIRMAN. Take rice.

General EDWARDS. We import in the Philippines \$7,000,000 of rice annually.

Mr. UNDERWOOD. Are the Philippines incapable of raising sufficient rice?

General EDWARDS. At present they are. We are now going into the question of irrigation to see if we can not take care of the home consumption. Labor, as I say, is actively employed. The most profitable crops there are hemp and copra. The price of labor in the hemp field is much greater on an average than in the other industries. With a little prosperity I think capital will seek hemp investment there. To me it seems the most attractive industry in which to put one's money. Then there are also the mineral resources. Naturally the administration is definitely against any introduction of Chinese labor in the Philippine Islands, and that has been the great bugaboo that the sugar men have been scared about.

Mr. UNDERWOOD. Coming back to the question of the cost of living, the one I am interested in, the main question of increase in the cost of food products would be in rice, and that could be remedied when the crops in the Philippine Islands were brought up to the point where they could supply their own people, which you say is practicable.

General EDWARDS. I think it should be. I think it is rather a reflection on us that we do not raise sufficient rice.

Mr. UNDERWOOD. Are there any other food products that go into the Philippine Islands by which the cost of living would be increased by applying the American tariff?

General EDWARDS. Primarily the Philippine tariff is a revenue tariff, or was before this revision; it has been a little bit raised.

Mr. UNDERWOOD. In other words, are they getting their food products now from foreign countries cheaper than we could get them in the United States under the present tariff law?

General EDWARDS. Yes, sir.

Mr. UNDERWOOD. What food products do they import?

General EDWARDS. The principal one is rice. We have the statistics here. There is rice, live cattle, beef, flour, vegetables, and eggs. Those are their main food reliance.

Mr. UNDERWOOD. Do they get their meats and flour from European countries or do they get them from the United States?

General EDWARDS. They get quite a little bit of flour from the United States; four years ago the United States had it all; now half from Australia and half from the United States. This tariff should give it all to the United States.

Mr. UNDERWOOD. Why is it, with free trade from the United States and we the great producers of wheat and flour, that they should not get food products cheaper from this country than any other?

General EDWARDS. I will give you an example. Under the existing Philippine tariff the supplies for the United States Army, Navy, and other United States departments there, as well as the civil government, come in free. We are in habit of stating that trade as \$5,000,000, that is, duty-paid imports from the United States into the Philippine Islands. As a matter of fact, we have kept account of the free entries and there are some \$9,000,000 in addition on which the Philippines get no revenue.

I have not looked it up this year, but the army had a fresh-beef contract and they got the best fresh beef from Australia at about 6 cents a pound and mutton for 4 cents.

Mr. UNDERWOOD. Let me see if I understand that: They get the meat from Australia at 6 cents a pound, but as it is army beef it does not pay any tax?

General EDWARDS. Yes, sir. We have authority to contract any place in the world for that matter and that shows the difference in the cost of living of one of the other items besides rice.

Mr. UNDERWOOD. They get the beef at 6 cents from Australia. What would it cost from the United States?

General EDWARDS. I forget the present price, but I think it is 12 cents; at least it was when I was a commissary officer, and to that you must add the cost of transportation.

Mr. UNDERWOOD. It would cost more than twice as much?

General EDWARDS. I think it costs three times as much.

Mr. UNDERWOOD. Under the tariff you provide for in this bill would not the food supplies be cheaper for the people there, not the army, if they came from the United States into the Philippines, than to pay the tariff?

General EDWARDS. It is the design of the tariff to create fair competition. I think ultimately that will be the case. When we have a fast mail ship subsidy and a full line of 16-knot ships running there the advantages to the United States trade will be much greater. I think that will be one of the corollaries.

Mr. UNDERWOOD. All goods from this country to the Philippines Islands at the present time can go in foreign bottoms if they want to?

General EDWARDS. Yes, sir.

Mr. UNDERWOOD. The navigation laws at the present time do not interfere?

General EDWARDS. No, sir.

Mr. UNDERWOOD. If we are to apply the full American tariff rate to the Philippine Islands, would that increase the cost of living along the lines of manufactures to the Philippine people?

General EDWARDS. I would not be prepared to state definitely, but I think so. What do you think about it, Colonel Colton?

Mr. UNDERWOOD. If we are to apply the full American tariff of the Dingley bill or the Payne bill to the Philippine Islands, especially the tariff rate proposed in this bill, I want to know whether that would increase the cost of the manufactures that the Philippine people have to buy.

Colonel COLTON. Yes, sir; it undoubtedly would.

Mr. UNDERWOOD. To what extent?

General EDWARDS. It would be pretty hard to estimate. The purpose of this tariff is to create real competition.

Mr. UNDERWOOD. In other words, in the tariff bill that you have prepared and presented to the committee for consideration, you have attempted to balance the cost in the United States of food products and manufactures so that it will not exclude the importation of foreign products entirely?

General EDWARDS. Yes, sir.

Mr. UNDERWOOD. You have attempted to reach a revenue basis where there will be a large proportion of competition?

General EDWARDS. Yes, sir; equal competition. I have tried to adjust it to give the United States the market and still not give them any monopoly.

Mr. UNDERWOOD. I think you and I very thoroughly agree on that as an ethical proposition if you succeed.

General EDWARDS. I think, Mr. Underwood, that we have reconciled all special interests of the United States except such as may

come up of which I have no knowledge. In the making of the other tariffs here they originated in the Philippine Islands and came here. We published them and gave them wide distribution. Take the iron schedule, for instance, and it would be sent to the Iron Age, the jewelry schedule to the special jewelry magazine, watch schedule to the watch magazine, and so forth, and invite recommendations and comments. That made the insular bureau pretty familiar with the trade of the United States, and while we have had a horizontal tariff for all articles, including our own around the Philippine Islands, I must confess that the specifications were drawn so as to favor United States goods, especially as to cotton and other goods, in regard to the width of looms and other things. In that way we got quite an intimate association between the special interests and manufacturers of this country. We had a great deal of correspondence with them. I have always given them our proposed schedules. I think there have only been half a dozen people who objected to it, and we came to a compromise with them. One of the main questions was the supply of sugar plantation rolling stock, tramways, and the little rails and cars. We came to a compromise on that part which was entirely agreeable to them.

Mr. UNDERWOOD. Under this adjustment of the tariff which you have presented I suppose all of the manufactures that the Philippine people use will practically come either from the United States or from some foreign country?

General EDWARDS. Yes, sir. There are a few American articles, like matches and buttons, where they use American machinery. There is a match concern that uses American match machinery, and it was more anxious to be protected than any other. We have protected them. We have given them a Payne rate on that industry.

Mr. UNDERWOOD. Take the woolen schedule, under your adjustment in this bill what is the general rate of duty, the average rate of duty, on the importation of goods into the Philippine Islands?

General EDWARDS. Thirty-five per cent.

Mr. UNDERWOOD. Woolen goods from the United States will go into the Philippines free?

General EDWARDS. Yes, sir.

Mr. UNDERWOOD. And foreign goods will pay 35 per cent?

General EDWARDS. Yes, sir.

Mr. UNDERWOOD. What is your estimate of the amount of competition that that will bring about? In other words, have you estimated the amount of woolen goods that will go into the islands from this country and how much from other foreign countries?

General EDWARDS. Colonel Colton is better able to answer that question. I think it would give the woolen market to the United States. What is your estimate, Colonel Colton?

Colonel COLTON. As a matter of fact, very little woolen goods go into the Philippine Islands, but this rate of duty of 35 per cent ought to give most of that market to the United States.

Mr. UNDERWOOD. Do you not think that the 35 per cent on woolen goods would practically be a prohibitive rate?

Colonel COLTON. No; I do not think it would be a prohibitive rate, but I think it would result in a large proportion of that trade going to the United States.

Mr. UNDERWOOD. Have you any figures, or have you made any estimate as to the imports of woolen goods?

Colonel COLTON. I can tell you what the imports were last year.

Mr. UNDERWOOD. Is the duty under the new bill different from the present law?

Colonel COLTON. It is the same as the present law.

Mr. UNDERWOOD. Then we can make a comparison as shown in these figures and arrive at a correct conclusion on woollens?

Colonel COLTON. Yes, sir.

Mr. UNDERWOOD. What about the cotton goods?

Colonel COLTON. The rates are the same except they have been equalized. Some of the finer grades were lower than the coarser ones and we have equalized them according to value. Otherwise the cotton-schedule rates are practically the same. The cotton-goods manufacturers have had a large trade there.

Mr. UNDERWOOD. Do you think it is proper in the matter of cotton goods that we should pass a prohibitive tariff in favor of the United States?

Colonel COLTON. No; but I think the rates on cotton goods should be so adjusted as to give the American manufacturer a fair chance at the market and the benefit of all doubts.

General EDWARDS. As I say, it will not give them a monopoly, and they will have a fair competition. The United States can certainly have that trade if they look after it, and I think they probably will. I know the cotton manufacturers feel that they are going to have that market, but I do not think it is going to be any real burden on the Filipinos.

Mr. UNDERWOOD. I would like to see the home manufacturer and producer have the bulk of the market not only of the Philippines, but of the entire world, if they can have it without having a wall to stand behind and keep the other fellows from coming in at all.

General EDWARDS. Those two things we tried to reconcile, and with the exception of matches I think we have done it.

Mr. UNDERWOOD. I would like to have you explain to the committee as fully as you can as to the cotton goods, which is a matter of a great deal of importance I imagine to those people, how you arrived at the basis of fixing the rate that would give the American manufacturer the benefit of the market and at the same time not build a wall there where he could exploit his manufactures on the Philippine people without any competition at all. What was the basis?

Colonel COLTON. The total imports of cotton goods during the year 1908 amounted to \$8,011,000, and of that \$685,919 came from the United States, whereas \$4,000,000 came from England, \$502,000 from Germany, and \$592,000 from Spain. Under the rates proposed there are certain classes of cotton goods that will come from England anyway, as they do to the United States at the present time, but when we get the present rates equalized on cotton it will result in largely increased importations from the United States, but the rates will not be positively prohibitive.

Mr. UNDERWOOD. What is the general rate on cotton goods?

Colonel COLTON. From 25 to 28 per cent.

Mr. POULSEN. What was it under the old bill?

Colonel COLTON. The same, except that we have equalized the rates.

Mr. UNDERWOOD. Under the new bill there will be no rate against the United States?

Colonel COLTON. No, sir.

Mr. UNDERWOOD. Then you expect to derive some revenue from the cotton and woolen schedules?

Colonel COLTON. Yes, sir.

Mr. UNDERWOOD. Is there much iron and steel consumed in the Philippine Islands outside of what the Government is using in building railroads?

Colonel COLTON. A considerable quantity, about \$2,150,000 worth.

Mr. UNDERWOOD. On what basis have you adjusted the iron and steel rates?

Colonel COLTON. Ten to 15 per cent duty. Formerly the duty was 5 per cent on agricultural and electrical machinery, you know, and we have made it 15 per cent on all kinds of iron and steel machinery.

Mr. UNDERWOOD. A straight ad valorem rate?

Colonel COLTON. Yes, sir; on the same principle exactly that it would not constitute a prohibitive rate, but at the same time it would encourage the importation of American machinery.

Mr. UNDERWOOD. You think that you have those three leading schedules adjusted on a fairly competitive revenue basis?

Colonel COLTON. Yes, sir; on a revenue basis and with a view to increasing American imports. That is what we sought to accomplish throughout the tariff. As tending to throw some light upon the general subject, I will insert in the record at this point some tables showing the existing trade relations between the United States and the Philippine Islands as compared with the commerce of the islands with other countries. Also a table showing the values of imports and exports and the balances of trade by years since American occupation. From the latter it will be seen that the islands have experienced no material increase in trade since 1901; in fact, the commercial imports and exports of 1908 are less than those of 1903.

As General Edwards has stated, the commercial returns do not show the entire value of merchandise and supplies imported into the islands from the United States, because the free imports for the Government and railways being of an unusual nature and not directly connected with the regular commerce of the islands have been excluded from the commercial statistics.

The commercial returns of 1908, for instance, which will serve as a fair average example, show that the total imports were \$30,918,745 against exports of \$32,829,816, showing a total trade of \$63,748,561 and indicating a balance of trade in favor of the islands of \$1,911,071. But if we include the supplies and merchandise admitted free for the Government and railways, valued at \$13,488,817, the total imports are raised to \$44,407,562, which throws the balance of trade against the islands to the extent of \$11,577,746.

Of the government and railway supplies admitted free, \$9,910,000 worth come from the United States, increasing the value of goods shown by commercial returns to have been imported from that country, from \$5,079,670 to \$14,989,670, and the percentage of imports from the United States, with respect to the imports from all countries, from 16 per cent, as shown by the commercial statistics, to

about 33 per cent, which represents the facts. The exports from the Philippine Islands to the United States during 1908 were valued at \$10,332,116. Hence the actual balance of trade between the United States and the Philippines was against the islands \$3,156,701. In other words, the Philippines really consumed \$3,156,701 more of American goods than the United States consumed of Philippine products. In this connection it may be noted that of the \$10,332,116 worth of Philippine products imported into the United States, \$7,684,000 represented hemp, upon which the American consumers received, through the operation of refunds, the benefit of a differential of \$8 per ton, amounting in all to some \$370,000, while two-thirds of the American goods consumed in the Philippines were entered free and the remainder on equal terms with goods from other countries.

According to the data afforded by the customs records based upon such invoices, the total value of commercial importations during the year 1908 was \$30,918,745, and was distributed among the various countries in which the merchandise represented thereby originated, as indicated by the following statement:

Country of origin.	Value of merchandise received.	Percentage of total value.	Country of origin.	Value of merchandise received.	Percentage of total value.
United Kingdom.....	\$6,109,586	19.7	France.....	\$821,348	2.5
French East Indies.....	5,746,414	18.5	Switzerland.....	751,524	2.4
United States.....	5,079,670	16.4	Hongkong.....	463,970	1.5
China.....	2,499,169	8.0	Belgium.....	342,365	1.1
British Australasia.....	2,046,039	6.6	Siam.....	307,507	1.0
Germany.....	1,933,808	6.2	All other imports.....	811,918	2.6
Spain.....	1,654,480	5.3			
British East Indies.....	1,239,084	4.7	Total.....	30,918,745	
Japan.....	1,111,863	3.5			

Principal classes of merchandise imported.	Invoice value.	Percentage of total value of imports.
Cotton goods.....	\$3,011,834	25.9
Rice.....	5,861,256	18.9
Manufactures of iron and steel.....	2,164,907	7.0
Provisions, including meat and dairy products.....	1,520,369	4.9
Cattle, live.....	1,055,236	3.4
Flour.....	1,044,570	3.3
Illuminating oil.....	806,112	2.6
Manufactures of leather.....	671,962	2.1
Manufactures of vegetable fibers.....	614,139	2.0
Chemicals, drugs, and dyes.....	568,916	1.8
Coal.....	567,220	1.8

Total values of some of the principal groups of commodities imported from the United States and from all other countries at all ports of the Philippine Islands, by fiscal years, 1901 to 1908, inclusive.

[Gold and silver currency not included.]

Commodity and origin.	1901.	1902.	1903.	1904.	1905.	1906.	1907.	1908.
Cattle:								
United States.....				\$550	\$2,470			
All other countries.....	\$73,840	\$481,846	\$728,818	834,010	770,342	\$828,206	\$1,058,824	\$1,055,236
Breadstuffs, except flour:								
United States.....	19,243	20,920	21,248	36,571	78,709	52,410	63,633	94,717
All other countries.....	225,745	216,650	207,479	216,853	173,635	176,853	199,763	234,915
Flour:								
United States.....	356,193	642,672	686,291	833,056	613,987	446,076	370,271	507,235
All other countries.....	145,006	43,298	41,659	9,852	113,604	377,958	518,903	537,335
Cement:								
United States.....	3,595	1,884	1,428	1,078	10,322	14,695	672	
All other countries.....	42,705	73,416	60,915	139,174	226,173	181,598	233,784	331,143
Coal:								
United States.....		490				9,084	600	63
All other countries.....	503,599	495,573	437,079	559,256	522,127	405,682	474,390	567,157
Chemicals, drugs, and dyes:								
United States.....	28,631	35,029	60,777	63,997	64,855	81,393	73,838	100,724
All other countries.....	889,116	1,035,240	1,049,971	1,061,072	1,125,917	749,822	810,056	468,192
Cotton goods:								
United States.....	94,665	167,887	389,303	319,666	764,088	278,796	1,056,328	685,919
All other countries.....	9,346,382	6,798,091	5,895,067	4,642,688	5,572,874	6,363,533	7,263,751	7,325,915
Opium:								
United States.....							46	
All other countries.....	619,338	819,625	721,551	770,596	850,381	440,464	513,241	143,670
Manufactures of fibers, vegetable:								
United States.....	17,069	17,511	6,964	24,971	12,062	15,611	9,146	6,335
All other countries.....	313,826	404,367	324,627	234,499	258,982	322,214	546,329	607,804
Fish and fish products, including shellfish:								
United States.....	8,416	56,278	62,983	38,942	56,325	73,361	86,121	138,904
All other countries.....	161,531	314,655	379,503	193,058	187,475	189,555	208,793	255,756
Iron, steel, and manufactures of:								
United States.....	287,957	431,888	465,720	821,160	1,147,387	693,016	864,336	802,313
All other countries.....	1,573,991	1,656,222	1,436,771	1,591,776	1,498,736	1,103,637	1,680,656	1,362,594
Leather, and manufactures of, including boots and shoes:								
United States.....	38,086	\$83,610	118,332	147,586	214,326	240,414	304,364	462,756
All other countries.....	295,297	366,321	568,454	344,949	278,841	220,806	174,770	209,206
Malt liquors:								
United States.....	855,326	466,257	397,382	221,632	215,895	139,932	79,730	43,756
All other countries.....	192,409	81,260	90,749	88,779	62,837	85,550	62,108	46,836
Illuminating oils:								
United States.....	22,748	213,312	325,576	246,519	443,512	272,231	551,699	619,545
All other countries.....	428,601	284,327	326,981	238,916	349,385	86,086	238,748	186,567
Paper, and manufactures of:								
United States.....	77,192	280,192	134,701	102,864	141,232	115,912	135,473	167,928
All other countries.....	397,802	388,513	368,534	387,942	373,829	294,171	373,281	358,506
Provisions, including beef, hog, and other animal and dairy products:								
United States.....	82,570	108,305	137,410	207,631	211,490	221,084	194,250	195,027
All other countries.....	535,529	688,619	885,479	995,756	1,225,983	1,137,187	1,056,824	1,325,342

Total values of some of the principal groups of commodities imported from the United States and from all other countries at all ports of the Philippine Islands, by fiscal years, 1901 to 1908, inclusive—Continued.

Commodity and origin.	1901.	1902.	1903.	1904.	1905.	1906.	1907.	1908.
Rice:								
United States.....								
All other countries.....	\$5,490,958	\$6,578,481	\$10,061,323	\$11,548,814	\$7,456,738	\$4,375,500	\$3,662,493	\$5,861,256
Distilled spirits:								
United States.....	218,767	238,131	120,656	84,977	102,499	55,931	52,774	68,760
All other countries.....	193,092	272,127	187,025	142,601	167,207	143,594	166,193	171,466
Silk, and manufactures of:								
United States.....	3,275	4,068	5,710	4,853	10,290	5,943	4,880	12,978
All other countries.....	694,793	913,839	660,152	541,189	470,436	366,154	417,115	521,633
All other imports:								
United States.....	553,197	1,266,809	1,019,601	1,182,405	1,672,211	1,618,028	1,815,841	1,172,710
All other countries.....	5,485,710	6,081,644	4,602,226	4,341,014	3,431,886	3,616,803	4,341,798	4,268,546
Total imports:								
United States.....	2,666,930	4,035,243	3,944,082	4,632,807	5,761,660	4,333,917	5,664,002	5,079,670
All other countries.....	27,609,270	27,994,114	29,034,363	28,588,444	25,117,388	21,465,373	24,001,820	25,839,075
Grand total imports, all sources.....	30,276,200	32,029,357	32,978,445	33,221,251	30,879,048	25,799,290	29,665,822	30,918,745

PHILIPPINE TARIFF BILL.

Total values and quantities of the principal products exported from the Philippine Islands to the United States and to all other countries, by fiscal years, 1901 to 1908, inclusive.

[Gold and silver currency not included.]

Product.	Destination.	1901.	1902.	1903.	1904.	1905.	1906.	1907.	1908.
Copra.	Values.....	\$4,450	\$7	\$9,173	\$9,231	\$14,425	\$4,043,115	\$108,088	\$228,565
	Quantities.....	\$2,643,855	\$1,001,649	\$4,463,506	\$2,517,788	\$2,080,227	\$3,945,107	\$3,945,107	\$5,233,115
Hemp.	United States.....	115,579,881	104	134,629	353,680	\$2,452,118	2	446,156	6,542,926
	All other countries.....	\$2,402,867	\$7,261,459	\$12,314,312	\$11,960,450	\$1,345,299	\$11,168,226	\$11,326,864	\$7,684,904
Sugar.	United States.....	\$12,050,243	\$8,579,857	\$9,387,263	\$11,163,369	\$9,191,798	\$3,278,543	\$9,758,217	\$6,627,908
	All other countries.....	17,872	\$4,810	70,526	60,912	72,196	61,098	55,469	48,045
Cigars.	United States.....	\$2,479	\$3,427	\$9,532	\$7,821	\$5,268	48,334	55,469	48,045
	All other countries.....	\$83,472	\$293,354	\$1,335,826	\$354,144	\$2,618,487	\$260,104	\$234,374	\$2,080,897
Cigarettes.	United States.....	\$2,196,586	\$2,468,078	\$2,690,092	\$2,314,363	\$2,358,539	\$4,603,791	\$3,703,386	\$3,627,969
	All other countries.....	\$4,747,555	\$11,521,215	\$75,916,518	\$25,632,500	\$27,543,818	\$16,009,068	\$14,574,250	\$109,081,767
Cigarettes.	United States.....	\$119,999,927	\$138,494,823	\$170,293,311	\$140,076,933	\$122,078,864	\$261,823,454	\$250,631,433	\$225,401,293
	All other countries.....	\$5,027	\$3,539	\$3,866	\$1,795	\$6,790	\$23,405	\$28,967	\$21,781
Cigarettes.	United States.....	\$1,245,146	\$1,658,281	\$945,278	\$967,074	\$961,232	\$860,845	\$1,023,554	\$1,062,287
	All other countries.....	1,535	\$224,960	119,369	104,715	106,235	91,848	118,126	116,199
Cigarettes.	United States.....	\$11,092	\$9,919	\$3	\$27	\$16,374	\$38	\$216	\$389
	All other countries.....	7,844	7,142	20,498	11,790	18,245	18,766	152,649	60,616
All other tobacco.	United States.....	\$566,461	\$234,652	\$371,654	\$1,031,797	\$1,011,612	\$1,461,329	\$1,973,305	\$1,562,123
	All other countries.....	17,936,905	\$21,946,686	244,377	19,142,021	17,344,574	21,960,225	30,133,080	23,264,901
All other exports, values.	United States.....	\$466,205	\$128,308	\$20,500,287	\$105,952	\$73,779	\$120,886	\$387,057	\$360,684
	All other countries.....	\$1,543,942	\$2,310,679	\$960,562	\$1,116,462	\$1,067,426	\$1,054,067	\$1,132,782	\$1,316,432
Total value of exports to.....		\$2,572,021	\$7,691,743	\$13,863,069	\$11,102,775	\$15,668,029	\$11,860,169	\$12,082,364	\$10,332,116
Grand total value of exports to all countries.....		\$20,650,327	\$16,833,115	\$19,286,961	\$19,123,352	\$16,087,839	\$20,388,373	\$21,639,403	\$22,497,700
		\$23,222,548	\$24,544,868	\$33,150,120	\$30,226,127	\$32,365,865	\$31,918,542	\$33,721,767	\$32,829,816

Comparative statement of the value of imports into the Philippine Islands, by countries, during the four fiscal years ending June 30, 1908, in the order of relative importance during the last year, showing duties collected thereon.

[Gold and silver currency not included.]

Country.	1905.		1906.		1907.		1908.	
	Values.	Duties.	Values.	Duties.	Values.	Duties.	Values.	Duties.
United Kingdom.....	\$4,848,393	\$1,165,634	\$5,224,020	\$1,316,735	\$6,045,575	\$1,475,549	\$6,109,586	\$1,431,891
French East Indies.....	5,968,614	1,063,772	3,854,244	914,813	3,474,230	798,625	5,746,414	1,181,003
United States.....	5,761,660	1,105,677	4,333,917	801,441	5,064,002	1,070,821	5,079,670	999,666
China.....	2,942,331	571,230	2,650,320	463,596	2,759,715	413,369	2,499,169	394,024
British Australasia.....	1,365,662	62,435	1,523,668	93,676	1,753,874	120,267	2,046,039	125,429
Germany.....	1,498,898	389,778	1,360,961	354,722	1,655,422	424,848	1,933,808	491,851
Spain.....	1,931,359	557,982	1,787,310	540,967	1,756,667	549,942	1,654,480	502,282
British East Indies.....	2,007,514	592,059	1,515,042	573,173	1,626,299	612,862	1,239,084	362,666
Japan.....	1,018,437	215,635	657,386	216,809	1,010,043	258,260	1,111,863	306,426
France.....	832,568	227,327	833,858	224,225	851,529	247,500	821,348	237,512
Switzerland.....	444,970	96,334	592,954	142,172	605,260	131,635	751,524	139,181
Hongkong.....	209,953	59,803	304,291	74,668	346,622	62,628	463,970	64,928
Belgium.....	299,155	58,043	259,521	61,856	293,055	72,492	342,365	90,233
Siam.....	902,566	151,653			208,120	40,214	307,507	64,359
Italy.....	152,802	44,923	197,865	60,176	258,855	77,093	249,489	75,347
Dutch East Indies.....	79,175	22,553	70,592	21,762	262,750	97,021	185,020	56,700
Netherlands.....	103,139	70,114	150,165	75,265	221,897	103,873	166,605	108,786
Austria-Hungary.....	94,343	27,734	88,788	24,546	170,534	45,691	123,942	31,258
Denmark.....	5,213	316	8,704	600	18,672	1,544	21,479	2,253
Persia.....	76,179	36,337			36,346	23,227	20,891	13,615
Quebec, Ontario, etc.....	20,344	11,624	9,367	4,986	13,366	6,806	13,234	6,125
British Columbia.....	1,100	606	464	46	11,354	1,680	8,168	1,189
Norway.....	6,900	825		154	1,697	201	6,173	509
All other.....	307,773	129,036	375,853	95,038	19,926	5,574	16,917	4,252
Total.....	30,879,048	6,664,430	25,790,290	6,064,446	29,665,822	6,641,722	30,918,745	6,691,485

Statement showing the value of merchandise exported from the Philippine Islands during the fiscal year 1908, distributed according to the countries of destination, and the nationality of the vessels in which it was shipped.

[Gold and silver currency not included.]

Country.	Ameri-can.	British.	German.	Spanish.	All other.	Total.
United States.....	\$743,252	\$9,088,729	\$417,738		\$82,397	\$10,332,116
United Kingdom.....	103,986	6,771,836	6,480	\$420,604	1,568,017	8,870,923
Germany.....		364,781	208,318	1,075	27,911	602,085
France.....	4,000	3,222,843	401,252	221	277,562	3,905,878
Spain.....		15		1,719,597		1,719,612
Italy.....		115,413	5,255	111,545	15,800	248,013
Austria-Hungary.....		384,331	1,940	400		386,671
Belgium.....	4,250	402,212	79,749		30,125	516,336
Gibraltar.....		7,555		681	244	8,480
Netherlands.....		127,125	41,450	2,351	22,833	193,759
Portugal.....				7,634		7,634
China.....	752	1,102,754	70,618		353,199	1,527,323
Hongkong.....	580	2,385,980	60		41,818	2,438,438
Japan.....	74,979	139,518	153,872		125,431	493,800
British East Indies.....		290,176	440,999	137,020	43,572	911,767
Dutch East Indies.....		15,088	122	14,128	5,664	35,002
French East Indies.....		8,510			3,835	12,345
Korea.....		6,377			7,785	14,162
Australasia.....		169,482	39,173	735	318,818	528,208
British Africa.....		11,314				11,314
Canary Islands.....				5,344		5,344
Canada.....		13,425				13,425
Argentine Republic.....		5,174	350	351		5,875
Uruguay.....				9,919		9,919
Siam.....		11,872		10		11,882
All other countries.....	90	13,304	1,016	3,440	1,655	19,505
Total.....	931,889	24,667,814	1,868,392	2,435,055	2,926,666	32,829,816

Values of imports and exports, exclusive of currency, by fiscal years, from the time of establishing the customs service under American administration to and including June 30, 1908, showing the balance of trade for each fiscal year.

Fiscal year.	Imports.	Exports.	Balance of trade—	
			In favor of islands.	Against islands.
1899.....	\$13,116,567	\$14,640,162	\$1,523,595	
1900.....	20,601,436	19,821,347		\$780,089
1901.....	30,276,200	23,222,348		7,053,852
1902.....	32,029,357	24,544,858		7,484,499
1903.....	32,978,445	33,150,120	171,675	
1904.....	33,221,251	30,226,127		2,995,124
1905.....	30,879,048	32,355,865	1,476,817	
1906.....	25,799,290	31,918,542	6,119,252	
1907.....	28,786,063	33,721,767	4,935,704	
1908.....	30,918,745	32,829,816	1,911,071	
Total.....	278,606,402	276,430,952	16,138,114	18,313,564

Balance of trade during entire period stated..... \$2,175,450
 Average annual balance of trade during period..... 217,545

NOTE.—The value of merchandise and supplies received and entered free of duty for the insular government and the United States Government, and for railway construction under the provisions of act No. 1566, of date December 7, 1906, not included in the above figures.

Statement showing the value of merchandise imported into the Philippine Islands during the fiscal year 1908, distributed according to the countries of origin and the nationality of the vessels in which it arrived.

[Gold and silver currency not included.]

Country.	Japanese.	American.	British.	German.	Spanish.	All other.	Total.
United States.....	\$387,197	\$511,548	\$3,654,611	\$369,262	\$57,705	\$99,347	\$5,079,670
United Kingdom.....	6,805	6,907	2,689,625	513,080	2,774,857	118,312	6,109,586
French East Indies.....	53,929		1,765,051	546,105	58,612	3,322,717	5,746,414
China.....	2,690	3,682	2,453,302	36,127	13	3,355	2,499,169
British Australasia.....	99,877	491	1,697,287	167,156	81	81,237	2,046,039
Germany.....	1,731	10	688,302	1,092,069	137,299	14,397	1,933,808
Spain.....			10,377	93,625	1,544,531	5,947	1,654,480
British East Indies.....		13	802,724	185,785	234,501	10,061	1,239,084
Japan.....	434,639	151,279	376,612	93,239	53,614	2,480	1,111,863
France.....	3,245		379,496	124,887	279,191	34,229	821,348
Switzerland.....			422,506	181,773	143,991	3,254	751,524
Hongkong.....	512	33	457,727	4,898	8	792	463,970
Belgium.....	4,225		178,257	135,580	22,290	2,013	342,365
Siam.....			247,198	56,675	1,917	1,717	307,507
Italy.....			152,868	34,221	60,867	1,533	249,489
Dutch East Indies.....			70,953	51,550	1,544	60,973	185,020
Netherlands.....	626		69,762	45,575	49,876	766	166,605
Austria-Hungary.....			74,994	44,423	3,594	931	123,942
Denmark.....			9,481	11,869	121	8	21,479
Persia.....			20,891				20,891
Quebec, Ontario, etc.....		385	12,280	567		2	13,234
British Columbia.....		2,763	5,384	21			8,168
Norway.....			3,731	2,442			6,173
All other countries.....	508	160	9,548	5,702	886	113	16,917
Total.....	995,984	671,181	16,252,967	3,796,631	5,425,498	3,770,484	30,918,745

Comparative statement of the value of imports and exports carried by vessels engaged in the carrying trade during the four fiscal years ending June 30, 1908.

[Gold and silver currency not included.]

Nationality (flag).	Imports.				Exports.			
	1905.	1906.	1907.	1908.	1905.	1906.	1907.	1908.
Domestic.....	\$55,542	\$483,942	\$662,901	\$1,155,614	\$101,893	\$50,737	\$136,868	\$55,406
American.....	3,098,907	1,783,266	942,940	677,181	3,493,862	1,474,687	831,463	831,889
British.....	17,799,592	14,929,181	16,606,783	16,252,967	24,553,636	24,547,513	25,611,653	24,667,814
Dutch.....	6,224							
French.....	217,209	66,400	158,025	292,768	157,923	351,086	988,730	906,643
German.....	3,526,828	2,433,373	3,291,047	3,796,631	1,041,821	1,989,871	2,013,595	1,868,392
Spanish.....	5,477,060	5,820,663	6,195,281	5,425,498	2,180,204	2,420,140	2,834,058	2,435,055
Swedish.....			41,638	51,278			43,016	
Norwegian.....	667,637	157,968	897,825	2,085,292	808,711	473,563	515,697	387,314
Japanese.....			760,718	995,984			558,026	1,576,120
All other.....	40,049	124,497	18,654	185,532	17,815	611,045	188,651	1,181
Total.....	30,879,048	25,799,290	29,665,822	30,918,745	32,355,865	31,918,542	33,721,767	32,829,816

Mr. UNDERWOOD. Have the English manufacturers any advantage in freight rates over the American shippers?

Colonel COLTON. I think very little.

Mr. UNDERWOOD. You think the freight rate is about the same?

Colonel COLTON. Yes, sir.

General EDWARDS. I think they have a little advantage.

Mr. UNDERWOOD. I would like to find out the rate from Liverpool, Hamburg, New York, and San Francisco on some of the leading articles in cotton goods, woolen goods, iron and steel, the cost of transportation. If you can not give it now, will you be kind enough to file it with your remarks?

Colonel COLTON. Yes, sir; I will do so. From our investigations we found, I believe, that the rates are substantially the same from the eastern coast of the United States as from Europe.

General EDWARDS. The Insular Bureau has a contract from warehouse to warehouse, New York to Manila, of a little over \$6 a ton. We get several advantages in that, immediate delivery, all ships must call there, and for less than a ton we get the ton rate, which is a great advantage in sending small high-class stuff, as we do in making certain purchases for the Insular Bureau in Manila. The steamship people claim that the only profitable rate is \$7.75, and I am inclined to believe that this is not unreasonable. When we first started the Insular Bureau the Quartermaster's Department had a rate of \$12.75, and I bitterly opposed that rate and it went down to \$4, until they had the steamship war. I think the Insular Bureau rate is lower than the quartermaster's and navy rate—the so-called United States rate.

Mr. CRUMPACKER. Upon your statement of the rates carried in this bill I would think that the rates would be competitive, at least, judging from the rates necessary to take care of our own market?

General EDWARDS. Yes, sir.

Mr. CRUMPACKER. Does your bill provide or limit imports from the United States going in free of duty to articles that are the product of the soil or industry of the United States?

General EDWARDS. No, sir; it does not.

Mr. CRUMPACKER. What is in the way of the merchants of other countries buying these commodities and simply flooding the archipelago?

General EDWARDS. The Payne rates would take care of that.

Mr. CRUMPACKER. Does your bill include any provision for free commerce with the United States?

General EDWARDS. They have to be the growth, product, or manufacture of the United States.

Mr. CRUMPACKER. That is provided for in your bill?

General EDWARDS. That is provided for in the Senate amendment to the Payne bill.

Mr. CRUMPACKER. That is an important thing to look after.

General EDWARDS. It is very important.

Mr. CRUMPACKER. Because if we do not limit the importations from the United States to articles that are the growth or product of American manufacture, we will soon bring about a condition where they would not get any revenue at all.

General EDWARDS. That is absolutely controlled in the Payne bill.

Mr. CRUMPACKER. The Senate has taken care of that side of it?

General EDWARDS. Yes, sir.

Mr. CLARK. Coming to the question of drawbacks, are the Philippine Islands foreign country or home country?

General EDWARDS. We have a drawback clause in this bill for the Philippine Islands and foreign countries.

Mr. CLARK. Suppose a manufacturer here sends over to Europe and gets \$10,000 worth of tin plate and manufactures it into cans and gets his drawback of 99 per cent and ships it to the Philippines, does it go in free or not?

General EDWARDS. I should think not.

Mr. CLARK. How does the drawback provision work?

Mr. NEEDHAM. The Philippines are simply a part of our country.

General EDWARDS. It is the same, apparently, except as regards sugar, tobacco, and rice.

Mr. UNDERWOOD. When you refer to foreign countries, you mean countries other than the United States?

General EDWARDS. Entirely; in drafting this bill we assumed that the Payne bill was going to pass and we have been working a year and a half in getting the schedules up to that point.

Mr. POU. What is the number of your drawback clause in this bill?

Colonel COLTON. Section 24.

Mr. CLARK. According to the sugar and tobacco fellows there would not be any trouble in establishing free trade with the Philippines?

General EDWARDS. Except sugar, tobacco, and rice. You can not bring any rice into the country free under the provisions of the Payne bill.

Mr. CLARK. And they do not grow half enough to feed themselves?

General EDWARDS. No; but they are terribly afraid of it.

Mr. RANDELL. Who is afraid of it?

General EDWARDS. The United States. Doctor Knapp, of the Agricultural Department, has brought up the proposition that some far-seeing man would go around to the millions of thousand patches in the Philippine Islands and collect all the rice there and send it here and displace a cheaper grade of rice, and that we would go to Saigon

and buy rice and let the Filipinos eat it. We have pointed out that rice in the Philippine Islands is currency. Labor is paid half in cash and half in rice. Each man raises a little rice, and it would be impossible to collect it all. We could not allay the fears, and thought free rice might prove a menace against the passage of the Payne bill. As Mr. Clark says, we import \$7,000,000 of rice a year to feed the people. The people of this country will really get the benefit of that market when the Panama Canal is opened, and with an increased rice production it will have a direct route right to the Philippine Islands.

Mr. CLARK. If they had some kind of an animal as expeditious as the mule, do you not think that they could double the crops?

General EDWARDS. If it was not for the labor.

Mr. CLARK. Some animal to supplant the carabao?

General EDWARDS. The government ran a farm and attempted to show the Filipinos how to raise rice and the government nearly went broke and had to quit. I think the most practical men that we have sent over there have come to the conclusion that the way of raising rice by transferring or transplanting is much wiser than by modern irrigation as they do in the South. We sent a lot of mules over there. I am just sending 150 now for the civil government. They do wonderfully well except when they get over there in the mud. In General Lawton's campaign I saw 16 mules hooked to a wagon carrying 2,400 pounds give it up.

Mr. CLARK. What is the trouble; are their feet so small that they sink in?

General EDWARDS. That is just the point. You know what a mule is after he gets a little bit mired; he will give it up.

Mr. CLARK. Is there any disease that kills the horses and mules over there?

General EDWARDS. Yes, sir. There is the surra, which so far we have been unable to eradicate. We have found a cure for rinderpest, which is the greatest blight the Philippines have, but the precautionary measures taken by the army have prevented great loss of its stock. The carabao over there is adapted to the mire. I have seen two tandem bulls haul one of those loaded carts, where the axle turns around with the wheels, when six mules could not budge an American wagon with an equal load.

Mr. CLARK. Does the topography of the country admit of the use of steam plows?

General EDWARDS. In some localities.

Mr. CLARK. The reason that I ask the question is that the Louisiana fellows are scared out of their wits all the time that they will produce so much sugar and rice and drive them out of the market.

General EDWARDS. That is one of the questions that came up in this adjustment of the tariff, and Mr. Gregg suggested the Dingley rates on steam plows. For all the time that we have had Hawaii the United States has not sold a steam plow to Hawaii under that rate, 45 per cent, or something like that.

Mr. GAINES. Do they use steam plows there?

General EDWARDS. No, sir. They have sent a few to the Philippines, and Mr. Hord has told me about some plows that he saw.

Mr. HORD. I saw three or four plows standing idle in the field and the carabaos plowing around them.

General EDWARDS. That was in Occidental Negros.

Mr. HORD. They have tried them out there, but they have not been a success.

Mr. CLARK. That is because they do not know how to work them.

General EDWARDS. They sent people out to work them.

Mr. CLARK. What is the reason that they do not raise their own beef?

General EDWARDS. The grass grows, and I do not think there is any real reason. They say that the grass is not nutritious enough, but I think that is nonsense myself. We had the rinderpest and we lost from 76 to 80 per cent of the work animals. We finally found a cure for the rinderpest, but it is going to take eight or nine years to get back to where we were. On the island of Batanes, north of Luzon, an old Spaniard has got some beef cattle running wild and, fortunately, the rinderpest has not reached that island. That is what I have favored the government doing; that is, establishing beef or horse herds on uninfected islands. In order to eliminate that disease over there they subscribed a large sum to buy carabaos in China and Singapore and they brought them over and tried simultaneous inoculation and everything else. They have spent vast sums of money for that purpose.

Mr. CLARK. Would it be easier to do that than rig up a tariff bill?

General EDWARDS. I should hate to go into that proposition again on the sugar business. We have made a compromise with our friends, but as I have said very often, there is no menace about it. Naturally, time only can tell.

Mr. RANDELL. Is there any more trouble about the sugar people of Louisiana than there is with the beet-sugar people?

General EDWARDS. No, sir; as I understand it they are all agreeable to the importation of 300,000 tons.

Mr. RANDELL. You generally hear that the Louisiana sugar men make the kick?

General EDWARDS. I have not heard it recently. The only person I have heard in opposition is Colonel Colcock. All the other persons who have spoken to me seem to be perfectly agreeable to the compromise.

Mr. CLARK. When we were considering the Philippine bill three or four years ago, the beet-sugar people led the fight and they had more to say than the cane-sugar men.

General EDWARDS. Yes, sir; we made a compromise. The first proposition was to limit the 300,000 tons to mills producing not more than 2,000 tons a year. In other words, the effect would be to condemn those people to primitive methods; and wiser heads said that was not fair, and so we eliminated it. Now, there is an amendment in the Senate bill which is satisfactory to all parties, that preference shall be given when the 300,000 tons have been exhausted to mills producing not more than 500 tons. That will give the little chap his chance. A great many of them think that we are going to raise 600,000 tons in five to ten years, which is as impossible as can be.

Mr. HILL. How are you going to regulate that after they begin shipment?

General EDWARDS. It is not a practical question, for it will be five or ten years before they can raise that much.

Mr. HILL. But suppose it is a practical question, who is going to ship?

General EDWARDS. That will come under regulations to be prescribed by the Treasury Department and we will have to have that worked out by the collectors of customs and internal revenue. We have a complete system of registration of all sugar planters. I think we can work that out by some equitable process.

Mr. RANDELL. You were speaking about rice and you said that the trouble was with the labor. What is the trouble?

General EDWARDS. I should not say that was the only trouble. The most trouble with them is the locust. Mr. Hord can tell you about that.

Mr. HORD. I was through Occidental Negros, which raises two-fifths to three-fifths of the sugar, last November and December. About one-third of the land that belongs to those who raise sugar is used for the cultivation of rice. They pay the laborers with rice. The rate is so many pesos a week in money and about as much more in rice. They raise rice in order to feed the laborers. Therefore the cost of sugar production depends to some extent on the cost of rice production. They have droughts and locusts, and the locusts as it happens now, usually come when the rice is tender enough to be eaten. They do not hurt the sugar because it has matured by the time the locusts come. Until they get irrigation they will always run the risk of losing a lot of the rice by locusts.

Mr. CLARK. And how would they benefit by irrigation?

Mr. HORD. They could use the water at a different time of the year, when the locusts do not come. It would make it possible to raise rice at a different time of the year.

Mr. CLARK. Do the locusts come every year?

Mr. HORD. For at least six or eight years I think they have come.

Mr. POU. Do they destroy the rice plant?

Mr. HORD. They will cut the rice head off just as it is beginning to mature—that is, when it is sufficiently tender to be eaten off.

Mr. RANDELL. You stated that there was some trouble about a sufficiency of labor with reference to raising rice. It seems that everything we attempt to do the great trouble is the cost of labor, and it is always against the United States. I want to find out what the trouble is. I thought labor was very cheap there?

General EDWARDS. There is a disinclination in the Tropics to spend any too long a time at labor.

Mr. RANDELL. Labor is easily procured there?

General EDWARDS. They have great difficulty in getting labor for any new enterprise.

Mr. RANDELL. Rice is not a new enterprise?

General EDWARDS. No, sir.

Mr. RANDELL. What is the trouble about the labor in reference to raising rice?

General EDWARDS. Because there are so many new demands for labor. The hemp fields provide a larger labor wage and the new public improvements and the railroads take away quite a number, and the sugar industry when it is revived a little will take off a number. Then there is one characteristic of the Filipino—and I have often heard President Taft and Secretary Wright give one instance of how loath the Filipino is to leave his home. When they had a famine in the island of Cebu the commission appropriated some money for the improvement of the public roads in the famine dis-

strict, and it was next to impossible to get the Filipinos to go 4 or 5 miles to work on those roads to keep them from starving. They would work about their own homes. They are probably as domestic a people as ever lived. If a man has a plantation and has not enough labor and wants to take the laborers from another island to gather the crops, he will generally have to take a band and furnish cock-fights and other amusements. There is no doubt in the world that the result of the passage of the Payne bill and this bill will be to raise the price of labor materially, and the President feels that the policy we have adopted in the Philippine Islands is entirely in accord with it. You can not raise the people or have much chance of an uplift if you do not let the laborer have an increased wage.

Mr. RANDELL. Does it raise the price of labor by raising the price of living?

General EDWARDS. No; but prosperity and the greater demand for labor would naturally raise the price of labor.

Mr. RANDELL. Does not the raising of the cost of living also necessarily raise the cost of labor?

General EDWARDS. Yes; I assume it does.

Mr. RANDELL. Then that is one way that the cost of labor will be raised, by the cost of living being raised, it is not?

General EDWARDS. Yes; I should think that would be.

Mr. RANDELL. What benefit will the Filipinos, as a people, get from the United States Government throwing its tariff wall around them?

General EDWARDS. I can only point you to the analogy in other cases.

Mr. RANDELL. I thought you might tell me what you thought would be the direct benefit in this instance.

General EDWARDS. Any country, or any State, or any possession that gets within the United States tariff wall is bound to benefit by it.

Mr. RANDELL. It would be a glorious privilege, no doubt, but what benefit is it to the Filipinos?

General EDWARDS. We do not ask for the United States tariff to be put around the Philippines. That is the argument we make against that.

Mr. RANDELL. I will ask you what benefit or what detriment it would be to these Filipino people in this actual case, not what it may have been under the Dingley law?

General EDWARDS. I think it would raise the cost of living.

Mr. NEEDHAM. This is not a proposition to put on the Dingley tariff. He understands that.

General EDWARDS. It would raise the price of provisions. For instance, take the \$7,000,000 worth of rice and pay the pound rate on it, 2½ cents; there is a practical example of it, right off.

The CHAIRMAN. That is what our southern friends think they want, 2½ cents.

Mr. RANDELL. Do you think that tariff will benefit the Filipino?

General EDWARDS. Yes, sir.

Mr. RANDELL. Assuming that the Payne bill will pass, and that this bill will pass?

General EDWARDS. I think this bill in connection with the Payne bill will benefit the Filipino very much more than the straight Payne rates, but I am not an expert. I have in mind merely what the result has been of the United States rate being put around any State

or island or possession, and there is no question of its benefit. Take, for example, Porto Rico and Hawaii. Here is a funny thing about Porto Rico. We import from foreign countries into Porto Rico now only about 12 per cent of all importations. Our revenue is a great deal more now than it was before free trade with the United States. The first year, in spite of the predictions of disaster on the part of Porto Ricans and others, which it was said would ensue by taking off the duty between the United States and Porto Rico, the very first year under free trade the internal revenue, by reason of increased consumption, increased 40 per cent. In Hawaii we are importing from foreign countries but 17 per cent of the total. Our revenue is a great deal greater than it was before Hawaii was annexed to the United States, and the internal revenue is several times greater. The present internal revenue in Hawaii is three or four times as great as it is in the Philippines.

Mr. CLARK. If you strike it all away from a fellow with an internal-revenue tax, he is minus a dollar and it does not do him any good, does it?

General EDWARDS. No; but I was starting to read this, to show here that the Filipinos, by the increase of internal-revenue taxation, which is two-thirds less than it is in the United States, the maximum tax, and half as great as it is in Porto Rico, are still twenty-five times better off with that result with free trade between the United States and the Philippine Islands. It is manifest. Here is the position of the assembly in their hasty action. They get up here and say, "We protest against increased taxation," when by the very fact of their opposition to the Payne bill they are voting for increased taxation. Their position is illogical, and it has been pointed out to them, and they are quite anxious now to save their faces about the matter.

I do not know whether it will interest the committee or not, but I feel that the action of the Filipino assembly in hastily passing a resolution against the passage of the Payne bill makes for the best interest of representative government, considered as an object lesson, more than anything that has ever taken place there. I had a cable from the governor yesterday, and I might read it to you if you are interested in it. When one of these gentlemen goes back to his constituents and meets a protest from every man who has or expects to have a substantial interest he will look at something else than politics or the inspiration of long-established foreign business houses in his action in the assembly. I think the conservative interests and the real interests will be represented in the Philippine assembly hereafter, which is nothing in the world but a school of legislation now. That is the President's idea; that was Senator Root's idea, and they will find what real representative government means. I told the governor-general that certain Philippine representation was approaching Senators and others, telling what dire disaster would come, and quoting him as to his apprehensions of loss of revenue, which did not scare us here, with the possibly broader perspective that we have. He had a meeting of the Philippine Commission and cabled yesterday. I have just summarized this cable as follows.

The Bureau of Insular Affairs is in receipt of a cablegram from the governor-general of the Philippine Islands, stating that any diminution of government revenues caused by Payne bill will be a temporary

PHILIPPINE TARIFF BILL.

Total values and quantities of the principal products exported from the Philippine Islands to the United States and to all other countries, by fiscal years, 1901 to 1908, inclusive.

[Gold and silver currency not included.]

Product.	Destination.	1901.	1902.	1903.	1904.	1905.	1906.	1907.	1908.
Copra.	Values.....	\$4,450	\$7	\$9,173	\$9,231	\$14,425	\$4,043,115	\$108,086	\$228,565
	Quantities.....	\$2,643,855	\$1,001,041	\$4,483,506	\$2,517,788	\$2,060,227	\$3,945,107	\$3,945,107	\$5,233,115
Hemp.	Values.....	\$27,689	104	134,629	383,680	452,118	2,446,156	2,446,156	6,542,926
	Quantities.....	\$115,579,681	\$43,401,382	\$215,096,417	\$118,950,450	\$1,345,299	\$105,759,974	\$105,759,974	\$161,931,864
Sugar.	Values.....	\$2,402,867	\$7,261,459	\$12,314,312	\$10,631,591	\$12,954,515	\$11,168,226	\$11,326,864	\$7,084,000
	Quantities.....	\$12,050,243	\$8,579,857	\$9,387,263	\$11,163,369	\$9,191,726	\$8,278,543	\$9,758,217	\$9,627,808
Cigars.	Values.....	\$17,872	\$4,810	\$70,526	\$6,912	\$72,196	\$1,068	\$5,469	\$8,045
	Quantities.....	\$93,472	\$3,427	\$9,532	\$7,821	\$6,368	\$49,331	\$5,426	\$5,960
Cigarettes.	Values.....	\$2,199,586	\$2,468,078	\$1,335,826	\$354,144	\$2,618,467	\$260,104	\$234,074	\$2,036,697
	Quantities.....	\$4,747,555	\$11,521,215	\$2,620,002	\$2,314,363	\$2,358,539	\$4,603,761	\$3,700,386	\$3,627,969
Cigars.	Values.....	\$119,999,937	\$138,498,823	\$170,283,311	\$140,076,933	\$122,978,864	\$261,243,154	\$14,574,250	\$109,081,787
	Quantities.....	\$1,245,148	\$1,658,281	\$943,278	\$1,735	\$6,790	\$23,405	\$26,067	\$21,781
Cigarettes.	Values.....	\$11,062	\$9,919	\$20,666	\$27	\$30	\$16,713	\$104,052	\$37,956
	Quantities.....	\$7,844	7,142	20,498	11,730	18,245	18,766	152,649	60,616
All other tobacco.	Values.....	\$656,461	\$824,652	\$371,654	\$1,031,797	\$1,011,612	\$1,461,329	\$1,973,305	\$1,592,123
	Quantities.....	\$17,936,905	\$21,846,686	\$20,500,287	\$19,142,021	\$17,344,574	\$21,360,235	\$30,133,080	\$23,264,901
All other exports, values.	Values.....	\$1,543,942	\$2,310,679	\$380,562	\$1,116,402	\$1,067,429	\$1,054,067	\$1,132,782	\$1,316,432
	Quantities.....	\$2,572,021	\$7,691,743	\$13,863,026	\$11,102,775	\$15,668,026	\$11,590,169	\$12,082,364	\$10,332,116
Total value of exports to	United States.....	\$20,650,327	\$16,853,115	\$19,286,961	\$19,123,352	\$16,687,839	\$20,338,373	\$21,639,403	\$22,497,700
Grand total value of exports to all countries.	All other countries.....	\$23,222,348	\$24,544,858	\$33,150,120	\$30,226,127	\$32,355,865	\$31,918,542	\$33,721,767	\$32,829,816

Comparative statement of the value of imports into the Philippine Islands, by countries, during the four fiscal years ending June 30, 1908, in the order of relative importance during the last year, showing duties collected thereon.

[Gold and silver currency not included.]

Country.	1905.		1906.		1907.		1908.	
	Values.	Duties.	Values.	Duties.	Values.	Duties.	Values.	Duties.
United Kingdom.....	\$4,848,393	\$1,165,634	\$5,224,020	\$1,316,735	\$6,045,575	\$1,475,549	\$6,109,586	\$1,431,891
French East Indies....	5,968,614	1,063,772	3,854,244	914,813	3,474,236	798,625	5,746,414	1,181,003
United States.....	5,761,660	1,105,677	4,333,917	804,441	5,664,002	1,070,821	5,079,670	999,666
China.....	2,942,331	571,230	2,650,320	463,556	2,759,715	413,369	2,499,169	394,024
British Australasia....	1,365,662	62,435	1,523,668	93,676	1,753,874	120,267	2,046,039	125,429
Germany.....	1,498,862	389,778	1,360,961	354,722	1,555,422	424,848	1,933,808	491,851
Spain.....	1,931,359	557,982	1,787,310	540,967	1,756,667	549,942	1,654,480	502,282
British East Indies....	2,007,514	592,059	1,515,042	573,173	1,266,299	612,862	1,239,084	362,666
Japan.....	1,018,437	215,635	657,386	216,869	1,010,043	258,260	1,111,863	306,426
France.....	832,568	227,327	833,858	224,225	851,529	247,500	821,348	237,512
Switzerland.....	444,970	96,334	592,954	142,172	605,260	131,635	751,524	139,181
Hongkong.....	209,953	59,803	304,391	74,668	346,622	62,628	463,970	64,928
Belgium.....	299,155	58,043	259,321	61,856	293,055	72,492	342,365	90,233
Siam.....	902,566	154,653			208,126	40,214	307,507	64,359
Italy.....	152,802	44,923	197,865	60,176	258,855	77,093	249,489	75,347
Dutch East Indies....	79,175	22,553	70,592	21,762	262,750	97,021	185,020	56,700
Netherlands.....	103,139	70,114	150,165	75,265	221,897	103,873	166,605	108,786
Austria-Hungary.....	94,343	27,734	88,788	24,546	170,534	45,691	123,942	31,258
Denmark.....	5,213	316	8,704	600	18,672	1,544	21,479	2,253
Persia.....	76,179	36,337			36,346	23,227	20,891	13,615
Quebec, Ontario, etc..	20,344	11,624	9,367	4,986	13,366	6,806	13,234	6,125
British Columbia.....	1,100	606	464	46	11,354	1,680	8,168	1,189
Norway.....	6,900	825		154	1,697	201	6,173	509
All other.....	307,773	129,036	375,853	95,038	19,926	5,574	16,917	4,252
Total.....	30,879,048	6,664,430	25,799,290	6,064,446	29,665,822	6,641,722	30,918,745	6,691,485

Statement showing the value of merchandise exported from the Philippine Islands during the fiscal year 1908, distributed according to the countries of destination, and the nationality of the vessels in which it was shipped.

[Gold and silver currency not included.]

Country.	Ameri- can.	British.	German.	Spanish.	All other.	Total.
United States.....	\$743,252	\$9,088,729	\$417,738		\$82,397	\$10,332,116
United Kingdom.....	103,986	6,771,836	6,480	\$420,604	1,568,017	8,870,923
Germany.....		364,781	208,318	1,075	27,911	602,085
France.....	4,000	3,222,843	401,252	221	277,562	3,905,878
Spain.....		15		1,719,597		1,719,612
Italy.....		115,413	5,255	111,545	15,800	248,013
Austria-Hungary.....		384,331	1,940	400		386,671
Belgium.....	4,250	402,212	79,749		30,125	516,336
Gibraltar.....		7,555		681	244	8,480
Netherlands.....		127,125	41,450	2,351	22,833	193,759
Portugal.....				7,634		7,634
China.....	752	1,102,754	70,618		353,199	1,527,223
Hongkong.....	580	2,395,980	60		41,818	2,438,438
Japan.....	74,979	139,518	153,872		125,431	493,800
British East Indies....		290,176	440,999	137,020	43,572	911,767
Dutch East Indies....		15,088	122	14,128	5,664	35,002
French East Indies....		8,510			3,835	12,345
Korea.....		6,377			7,785	14,162
Australasia.....		169,482	39,173	735	318,818	528,208
British Africa.....		11,314				11,314
Canary Islands.....				5,344		5,344
Canada.....		13,425				13,425
Argentine Republic....		5,174	350		551	5,875
Uruguay.....				9,919		9,919
Siam.....		11,872		10		11,882
All other countries....	90	13,304	1,016	3,440	1,655	19,505
Total.....	931,889	24,667,814	1,868,392	2,435,055	2,926,666	32,829,816

Now, there is another thing to advise you gentlemen about. There is an amendment in the Senate bill which covers in all taxes, customs, and internal revenue to the insular treasury, to be appropriated, subject to future acts of the Philippine legislature. To have you thoroughly conversant with that, although I have said nothing about it in the Philippines, I may say that through one act or another the law now in the Philippines alienates or diverts over 60 per cent of the internal-revenue taxes to the provinces and municipalities—more than they need, as they are aware. As you gentlemen will appreciate, it is naturally rather impossible and impracticable to believe that an assemblyman is going to vote for any curtailment of the appropriations from the national treasury for his district—for the district that he represents. In other words, in taking this action they did not foresee the passage of the Payne bill. It was an unfortunate oversight. The action now taken allows the Philippine Commission to reconsider and readjust their revenues to the entirely new conditions that will obtain.

I have not cabled that to the Philippines yet, but it will allow the assembly and the Philippine Commission, the upper house, to make a readjustment which is rendered necessary by the proposed action here of these two bills.

MR. CLARK. General, can you raise rice and sugar on the same land?

General EDWARDS. Yes, they do. Don't they, Mr. Hord?

MR. HORD. Yes, as a rule that is done.

MR. CLARK. Which is the more profitable crop of the two?

MR. HORD. The rice is necessary for the production of sugar, and practically none of it is sold; it is all consumed where it is raised.

MR. CLARK. What is the reason why they do not go to work and pay the men money, just as we do here, and let them buy the rice they want to use where they please?

MR. HORD. In the first place, there is a scarcity of money in the Philippine Islands. The per capita circulation is so low that there is not enough money there to permit that. Merchants are accordingly forced to adopt this method of barter.

MR. CLARK. Suppose you have 50 acres of rice and 50 acres of sugar, and suppose further you paid out money, as we do here: Which is the more profitable crop of the two?

MR. HORD. I think in agricultural communities the world over they do raise the crops they need on the plantation. I think you will find that they raise corn on the sugar plantations in the South for the benefit of the people.

MR. CLARK. That does not answer my question. I would like to know which is the more profitable—an acre of sugar or an acre of rice.

MR. HORD. I could not answer that question in that way. There is no sale for rice outside the islands.

General EDWARDS. In my opinion rice, just at this time, is the more profitable, on account of its scarcity and the fact that a surer market is offered and that more than one crop can be raised.

MR. CLARK. I think it is time for somebody to find that out, because all this hullabaloo about Philippine sugar or Philippine rice will ultimately turn upon that very point, as to which is the more profitable

crop. Now, if it turns out that rice is the more profitable crop, then no doubt by quitting raising sugar they can not only raise all the rice they need in the Philippine Islands, but they can also raise rice for export, and it is inevitable sooner or later that they will quit this business of paying the people in rice, because there is no sense in it, only a habit, and if all go to paying labor in money the whole matter will be reduced to a money basis at last.

General EDWARDS. Colonel Colton believes that under the abnormal present conditions it is a little bit more profitable now to raise rice, but still rice is never exported.

Mr. CLARK. Then these people down in Louisiana have some cause for apprehension, because if Americans start over there in this business they can raise rice enough to export rice from there and import it here. I do not know whether I understand it rightly, but I am under the impression that a man can take one or two or three acres of rice and raise that kind of a crop all right, but he can not raise sugar in that way, can he? Is not the sugar business in the hands of large holders?

Mr. HORD. No, sir. The sugar gets the rainfall at the right time in the year. You can not raise rice without irrigation. You can not always raise rice and sugar on the same land on account of the lack of water. Both the irrigation and the transportation problems are great factors over there for the economic production of rice and sugar. There is no irrigation, and there is very little in the way of transportation facilities there to-day. We have not got them.

Mr. CLARK. But if we hang onto the Philippine Islands, then it is inevitable that American capital and American machinery and American everything else for the economical production of everything will go to the Philippine Islands?

Mr. HORD. After a time, yes; but after that time the American consumption of rice and sugar will have increased to a greater amount than the total Philippine production. By that time, before you can develop the resources in the Philippine Islands, the consumption of sugar and rice in the United States will be greater in amount, more than equal to the total production of the islands.

Mr. CLARK. I was only trying to get at the facts to see who has the right to be scared.

Mr. HILL. As a matter of fact, is it not true that with the natural irrigation of the Philippine Islands rice fields they have to have a soil that is not porous and that will hold the water?

Mr. HORD. Naturally.

Mr. HILL. And is it not true that they can raise the sugar on the porous soil, and, as a matter of fact, it is not true that the same land will raise rice and sugar; that is, profitably? It has to be peculiar soil and worked under peculiar circumstances to raise rice profitably, and while they could raise sugar on rice land, they could not raise rice on the sugar land in many cases?

Mr. HORD. Yes. Last December I visited a number of the large sugar plantations in Negros Occidental, and I found that almost without exception they did use the same land for raising rice and sugar. But they let it lie fallow one year, and raised rice and corn the next year, and the year after that they put it in sugar—the same land.

Mr. CLARK. If Mr. Hill's proposition is true, then as sure as the rising sun follows the darkness, as soon as they put things on a cash

basis they will be able to devote their land successfully to the production of rice, if it is the more profitable crop.

Mr. HORD. Naturally; but whether it is more profitable or not would be dependent on their ability to sell it. Sugar might be more profitable if they had a market for it.

Mr. CALDERHEAD. I believe I asked that question of the Louisiana men.

Mr. CLARK. There is nobody to ask it of.

The CHAIRMAN. You are familiar with raising rice and sugar in Porto Rico, Mr. Hord?

Mr. HORD. Somewhat.

General EDWARDS. Yes; and also in Louisiana.

Mr. HORD. Porto Rico does not raise any rice. They take all the rice in the United States.

The CHAIRMAN. Did they ever raise any?

Mr. HORD. Not to any extent; no, sir. Spain would not allow them to raise rice or cattle.

The CHAIRMAN. Spain would not allow them to raise it?

Mr. HORD. No.

The CHAIRMAN. They could raise them, could they not?

Mr. HORD. The sugar lands occupy areas that might be used for the production of rice.

The CHAIRMAN. It is the more profitable crop, is it not?

Mr. HORD. Yes. They have increased their importation of rice fourfold in the last few years.

The CHAIRMAN. Do you say they did not raise any rice there at all after the war?

Mr. HORD. No, sir.

The CHAIRMAN. They did not increase it?

Mr. HORD. No, sir.

The CHAIRMAN. They do not raise any now, practically?

Mr. HORD. No. They have increased their importations from one million to four millions from the United States.

The CHAIRMAN. Then it would not be a profitable crop with the United States?

Mr. HORD. There is a narrow prairie country running around the shore of the island. The central part of the island is not suited to it. Therefore, they would have to raise rice on the coast territory, which is now used for the raising of sugar. I came from the Rio Grande, in Texas, where they have put in a good deal of rice lately.

The CHAIRMAN. There is no place on the earth where they can raise rice so nearly exclusively by machinery as in the United States?

Mr. HORD. No, sir.

The CHAIRMAN. From the plowing to the working and harvesting of a crop right through?

Mr. HORD. No.

The CHAIRMAN. Is there any reason why, with proper management and the development of that industry and the proper organization of it as the manufacturing industries of the United States are organized, they could not raise rice in the Southern States as cheaply as they raise it by carabaos in the Philippine Islands?

Mr. HORD. Well, that is rather a broad question, and for its complete answer many factors should be considered. I shall submit a statement.

In the first place, rice is not raised cheaply in the Philippines. Even under the Spanish régime, with what was practically a forced system of labor, large quantities of rice, as much as a million dollars' worth a year, were imported from China. Rice raising is out there an adjunct to sugar raising as well as to the raising of other crops. As the sugar production increases more and more rice must be raised or imported—more likely the latter. The belief obtains very widely that it pays better in the end to raise hemp and copra for export and to import the rice with which the laborer's wage is largely paid.

There is such a drain on the sugar and rice sections for laborers in the abaca and copra sections, and in the urban centers and for railway work, that laborers in the sugar and rice fields and mills expect bigger pay than they ever got before and are discontented and are not efficient workmen when forced to work on the former low scale of pay. A few months ago I visited most of the large and many of the small sugar and rice estates north and south of Bacolod in the island of Negros. The complaint was universal that they could not get field laborers on that island, that they advanced several months' pay and brought their farm hands in from other islands, and even then could not keep them. In fact, it is becoming more and more the habit for this contract labor to run away before they have worked out the money advanced to them. Some of the more responsible rice and sugar planters assured me that often more than half of the men they contracted for kept the wage money and never reported at all for duty.

I was able to verify these statements from conversations with noninterested persons living in the vicinity. Judge McCabe, of the district court of Bacolod, lamented the fact that there was no criminal law to fit the case of these runaway workmen. He said his court docket was filled with these cases and because of the impecunious condition of the accused, the men who had advanced the money considered it a further useless expense to bring civil actions for recovery. This unsatisfactory industrial state of affairs is one of the factors that make rice and sugar raising so expensive in those islands. However low the nominal wage rate may on paper appear to be, in some localities, when figured out by the day or the week, it is in reality very high when it comes to figuring out the cost of the rice or sugar crop. Some of the planters submitted to me very elaborate statements in which they had divided the total amount they had paid out for labor by the total number of men they finally got to work, with the result that the actual wage rate was in many instances several times as great as the nominal wage rate.

A return to the Spanish system of practically enforced labor might result in increasing the sugar and rice production to somewhere near what it was before the American occupation. But that, of course, is not contemplated, and only through making the planters more prosperous by giving them a market for their surplus products does it seem feasible to make it possible for them to pay their farm hands a better wage and result in the uplift of the agricultural masses, which is the policy of the American Government in those islands. And this solution of the problem would not mean a cheapening in the cost of raising rice, sugar, and other crops; it would, on the contrary, make their production as expensive there as anywhere else in the world—more expensive, perhaps, than in some, because the natural advantages for raising sugar are not as good in the Philippines as they are, for

instance, in Cuba or Java, nor for raising rice as good as they are in Texas or Louisiana. Ratoon crops from one planting of cane are raised profitably in Cuba during several successive years; in the Philippines cane lands have to be replanted every year because even on the best lands the difference between the first crop and the subsequent ratoon crops is so great as to far exceed the cost of replanting each year. The only exception to this rule is in very rich virgin soil in some of the valley lands, and even then ratoon crops become unprofitable after the first three or four years.

The agricultural possibilities—that is, the natural advantages—of the Philippine Islands have been much magnified. It is easy to figure out a fabulous agricultural wealth if the total acreage of the islands is multiplied by the productive capacity of an acre of superior land in the fertile coast lands. This might be a fairly accurate method for calculating production over large areas in the level prairie lands of, say, the Middle West of the United States. But unless a person would deliberately deceive himself and others, he will not apply this method to the Philippines. Those islands are in reality a chain of mountain peaks sticking up out of the sea with a comparatively narrow coast prairie extending around them, and in many cases not all of the way around. No crops can be raised profitably on the mountain peaks, and only to a limited extent on the steep slopes, which constitute such a very large percentage of the total area.

The distance from the mountain divide in each of the large islands to tide water is very short. The downpour of tropical rains during the typhoon season is enormous, often reaching 90,000 tons of water per square mile in a single day. Nearly one-half of the total area of the Philippine Islands is now clothed with forests, and the director of forestry there has assured me that unless these forest lands, mostly on mountain and hill sides, are kept intact and additional denuded sections are reclothed, that awful destruction from the floods in the valleys and alluvial coast prairies would inevitably follow. European forestry experts have arrived at the conclusion that fully five-sixths of the rain falling on forest land is retained, whereas on open land all but about one-sixth runs off. Therefore probably half of the total area of the islands must be permanently given over to the forest if normal stream-flow conditions are to be preserved and the hopes of future irrigation projects realized. Nor does this mean that the entire remaining half of the islands is adapted to cultivation, because large areas in all of the principal islands consist of sandy or rocky unproductive soil, or are permanently covered with cogon grass or marshes or nipa palm swamps.

It is because of these unique topographical conditions that agriculture in the Philippines is now, and must continue in the future to be, largely a matter of patch farming. Even though the natural conditions were not so antagonistic to farming on a large scale the existing laws limiting agricultural holdings by individuals and corporations would necessarily perpetuate the present system of small agricultural units and make really profitable farming, except for local consumption, largely a matter of conjecture. The area of the average sugar farm there to-day is less than 17 acres, of tobacco about 1 acre, and of rice paddie even less.

During the last few months I have spent a number of weeks in the tobacco, sugar, and rice sections of the islands; have traveled for

days by boat or raft along several rivers or afoot over what formerly were roads, by abandoned fields which, notwithstanding the reputed fertility of that soil, became worn out and grew up in cogon grass, because their owners were unable to purchase artificial fertilizers. Nearly all of the farms I visited were mortgaged up to the limit and under most onerous terms; five-sixths of the work stock were dead from rhinderpest or surra, and the remaining sixth were being worked to death by such of the remaining farm hands as had not yet been lured away to work at a better wage for the corra and hemp producers, who, fortunately, still had a market in the United States, England, and France for their products.

Therefore, I must answer Mr. Payne's inquiry with the statement that no development, organization, or management for some time to come of the agricultural industries of the Philippine Islands can put such industries on a really paying basis, as it is understood here, nor ever constitute any real menace to similar industries in the United States, even under the terms of limited concessions provided in the pending legislation. And this is especially true of Philippine rice, which is now taxed 75 per cent of the customs tariff upon entry into the United States, and which is in future to pay a full 100 per cent, even though not a grain has been brought in under the lower rate. Even under the favorable terms of the Payne bill, it is very problematical whether in five, or even in ten, years, agriculture in the Philippines can be brought up even to the standard it held during the latter years of the Spanish régime, and certainly not within a much longer period to the American standard. Because here you have abundant capital, low interest rates, efficient labor, natural advantages, good harbors, roads and transportation facilities, sufficient work stock and labor-saving machinery, and unlimited markets for your agricultural products; whereas over there, we lack each and every one of these essentials to profitable farming and can not reasonably hope to supply even one of them at present nor in the immediate future.

The CHAIRMAN. In the United States the labor is a very small percentage of the cost of the machinery used, is it not?

Mr. HORD. I believe before the Philippine Islands get to raising rice profitably they will be importing rice from the United States into the Philippines. I believe that the Philippine Islands would import rice from the United States just as Porto Rico imports it from the United States.

The CHAIRMAN. Because the United States could produce it more cheaply?

General EDWARDS. There is no question about it.

Mr. CLARK. They all leave out of the question the danger of pigeons and red rice. If you could only keep those two things out, a man could get richer raising rice in Texas than in any other industry I know of in America. But the pigeons get in, and the red rice follows after them, and those two things can not be kept down.

The CHAIRMAN. In other parts of the country they kill the pigeons off.

Mr. CLARK. I think the question would settle itself in forty years if you could only keep the pigeons and red rice down.

The CHAIRMAN. If they would get out and pepper the pigeons off with shotguns there would not be any left to interfere with the rice. [Laughter.]

Mr. NEEDHAM. I understand the statement is made that the preferential rate allowed the Philippines under the old Spanish occupation was more favorable to their markets than the preferential with the United States. Was that preferential with Spain greater than that which is now granted by the United States?

General EDWARDS. Yes.

Mr. NEEDHAM. Those figures that are given on that subject would indicate that the commerce of the Philippine Islands was greater under the Spanish occupation than it has been under the American occupation. Are there greater burdens imposed on the Philippine commerce now than there were then?

General EDWARDS. Naturally those figures since the American occupation show the presence of an occupying army, and everything else that stimulated trade there, even under the adverse conditions on account of American occupancy. You see we had an army there.

Mr. NEEDHAM. Where have the markets been changed there?

General EDWARDS. I have all those figures. I thought I had them up here, but I find I have left them at the office. I know I have had them in the yearly summary of commerce right along. We had to go back. Our data was very indefinite. I will insert those figures if you desire.

Mr. NEEDHAM. They did have absolute free trade with Spain, did they not?

General EDWARDS. No; but they did have a good preferential.

Mr. NEEDHAM. Especially on sugar and tobacco?

General EDWARDS. They had a tobacco monopoly with Spain, as I recall it; probably the chairman will remember it. They showed by their preferential that they were five times more afraid of Cuban sugar than they were of what might come from the Philippine Islands. In other words, they gave them a 500 per cent better preferential than they did Cuba. I have forgotten exactly the facts about that. The steamers that run direct from Barcelona and other ports were greatly favored, and then again the price of labor in the Philippines has gone up about 200 or 300 per cent. These little instances that Mr. Hord speaks about are a good deal like instances of darkeys in the South that have a cabin; but if you will take the prices on large plantations near Manila and labor on the railroads, you will find they have gone up from 200 to 700 per cent.

Mr. CLARK. General, how much do these people get, working on the railroads down there?

General EDWARDS. They get about a peso a day.

Mr. HORD. They get from 37 to 50 cents gold.

Mr. CLARK. I understand they get \$1.15 in the United States.

General EDWARDS. Mr. Hord was telling me the other day that he went up and down the road in Iloilo, and the blacksmiths and engineers and mechanics were all graduates of our industrial schools throughout the islands. Our efforts now are in the direction of primary and industrial education, and our last reports are to the effect that a good many of the graduates are getting 75 cents, and some of them \$1.50 gold, United States, and many of them were getting more than their fathers, and the report is that they are quite effective and efficient. But they are being drafted right away from the government work now into private employment, and the govern-

ment pays high salaries, as it does here, compared with the lower trade pursuits.

Mr. CLARK. How much does a section man get?

General EDWARDS. They are paying some of their section men natives, from 40 to 50 cents gold; foremen get \$1 to \$2.

Mr. CLARK. That is more than is received here by a section man. They are getting from \$1.15 to \$1.20 here right now.

General EDWARDS. I should say that is what is received by the foreman of a big gang of laborers. They have some native foremen.

Mr. CLARK. I know; but how much does a section man get—the man that does the work?

General EDWARDS. He gets on an average of 75 cents, and from that up to a dollar.

Mr. GAINES. Gold or silver?

General EDWARDS. Silver.

Mr. GAINES. Thirty seven and one-half cents gold?

General EDWARDS. From about 50 cents gold to 75 cents gold to a man who has been on the railroad quite a time. The new men get only 37½ cents.

Mr. CLARK. How does their labor compare with the labor in the United States? Is it half as effective?

General EDWARDS. They drop it to about a third—from a third to a half. Mr. Carusi, with the Atlantic, Gulf and Pacific Works, the firm that built those big works there—a man who built a good many public works here—told me they averaged about a third as much work, but he said that in quarry work they did half as much, and in a few instances as much as an Italian laborer, but in most instances they averaged about a third of the ordinary American. In fact, in that country a man gets 50 per cent of his efficiency in handling a shovel wiped out in a few years.

Mr. CLARK. That is by the climatic conditions?

General EDWARDS. Yes.

The CHAIRMAN. Are there any further questions, gentlemen?

Mr. UNDERWOOD. General, let me ask you a question, before you go further, about the administrative features of this bill. Have you made any radical changes in it?

General EDWARDS. Yes; there are numerous changes from the present law, which Colonel Colton can explain, together with the reasons which necessitated them.

Colonel COLTON. The present tariff law of the Philippine Islands is based upon old Spanish decrees formerly in force in the Philippine Islands with some adaptations from the Cuban and Porto Rican tariffs. It is cumbersome, difficult to administer, and especially incomprehensible to American exporters as well as American importers in the Philippine Islands, who have thus been at a disadvantage in competing with foreign firms who have been acquainted with or studying Spanish methods for many decades. Under the Spanish régime 75 per cent of the fines imposed upon importers for errors were divided among customs officers; hence there was no very serious attempt to make their regulations or tariffs clear and unmistakable. Many of the intricacies and confusing features of the old Spanish regulations found their way into the first tariff adopted after American occupation and have been continued. This in fact has been one of the principal obstructions to the development of

American trade in the Philippines. The Philippine Commission and legislature had recommended numerous changes and in view of the pending free trade provisions of the Payne bill imperatively requiring certain modifications, the time was considered opportune to thoroughly revise and reconstruct both the administrative features and schedules of the present tariff law. By direction of the honorable Secretary of War work was commenced upon it in March 1908, and during the five months ending January 15, 1909, the board having it in charge heard all those interested in the subject at Manila, and since that time interested persons in the United States have been heard in the Bureau of Insular Affairs, when objections raised were satisfactorily explained or reconciled.

The administrative features of the bill have been brought into conformity with the American regulations in a general way and made so clear and simple that it is not believed they will present further difficulties to importers or exporters. Ordinary packing which was formerly assessed separately from the accompanying merchandise, at greater expense than the revenue derived therefrom warranted, has been made free or is assessable together with the merchandise it contains or holds, thus removing one of the most confusing features of the existing law. The treatment of textiles has been simplified and the rules throughout clarified and reduced to the minimum consistent with a thorough treatment of the subject.

The classifications and grouping of the different articles of merchandise, which under the present law are in many cases inconsistent and confusing, have been carefully readjusted. The Philippine tariff being distinctly a revenue measure it has also been possible to remove existing inequalities by the substitution, in many instances, of ad valorem for specific rates, placing always the higher upon luxuries and lower upon the utilities and the necessities of life.

Mr. UNDERWOOD. You have tried to make the administrative features of the bill conform to the customs laws of the United States?

Colonel COLTON. In a substantial way, yes?

General EDWARDS. It dovetails right straight through with the Payne bill.

Mr. UNDERWOOD. What do you estimate it will cost you under this bill to collect the revenues? What per cent of the revenues will it cost?

Colonel COLTON. About $3\frac{1}{2}$ per cent, I should say.

Mr. UNDERWOOD. That is a very high percentage, is it not?

Colonel COLTON. No, sir. It is lower than in the ports of the United States on the basis of comparative business.

General EDWARDS. We have always been lower.

Mr. UNDERWOOD. I am satisfied it costs very much more than that in New York.

Colonel COLTON. That is very true. But you must remember that owing to the great volume of business transacted in New York there is no other port in the United States whose cost of collection is so low.

Mr. UNDERWOOD. My recollection is that the cost of collection in the United States is 2.65 per cent.

General EDWARDS. Yes, but you should take for comparison cities of 250,000 inhabitants, and my recollection is that the cost at Manila and the Philippine ports has been less than that grade of cities, and less than the rate in San Francisco.

Mr. UNDERWOOD. I think the cost of collection in the United States as a whole is 2.65 per cent. The cost of collection at the port of New York is very much less than that. And the cost in this country is very much larger than the cost of collecting the customs revenues in Europe; so that it seems to me if, under your machinery here, the cost of collection is going to be 3 per cent, it is a very high rate.

Colonel COLTON. I will offer here a statement of the cost of collection at the several entry ports of the Philippine Islands and as may be seen by reference to United States Treasury reports, the general cost of collection shown is considerably less than the cost of collecting the customs revenue in any other noncontiguous territory of the United States and substantially less than at the port of Manila than at any port of the United States, the business of which is comparable to that of Manila.

Customs receipts, expenditures, and cost of collection at all entry ports in the Philippine Islands during the fiscal year 1908.

Port.	Receipts.	Expenditures.	Cost of collecting each dollar.
Manila.....	\$6,455,727.29	\$241,801.59	\$0.0375
Cebu.....	862,638.97	24,203.80	.0281
Iloilo.....	687,455.54	23,223.64	.0338
Balabac.....	3,350.55	2,363.47	.7053
Total, insular government ports.....	8,009,172.35	291,592.50	.0364
Jolo.....	76,678.92	9,216.41	.1201
Zamboanga.....	99,136.60	9,121.01	.0920
Bongao.....	53.65	379.31	7.0700
Jurata.....	1,223.92	1,908.15	1.5590
Sitanki.....	1,416.64	1,903.76	1.3430
Total, Moro Province ports.....	178,509.73	22,528.64	.1260
Total, all ports.....	8,187,682.08	314,121.14	.0383

Mr. UNDERWOOD. Where does that cost of collection come in? What are the principal charges?

Colonel COLTON. The personnel and salaries, principally.

Mr. UNDERWOOD. Manila is about the same size city as the port of San Francisco, is it not?

Colonel COLTON. Its import business, at least, is comparable with that of San Francisco.

Mr. UNDERWOOD. How many officials have you there as compared with the port of San Francisco?

Colonel COLTON. I presume we have more, because we employ Filipinos; perhaps a third more. All of our statistical and a good deal of other office work is done by Filipinos.

Mr. CLARK. Do they receive the same salary that they receive in America? On the same salary would you pay the same number of Americans?

Colonel COLTON. No, sir.

Mr. UNDERWOOD. What is the difference in the pay of the customs officials in Manila and San Francisco?

Colonel COLTON. I am not familiar with the salaries paid in San Francisco, but I have no doubt that for ordinary routine office work salaries paid to Filipinos in the islands are less than those paid to Americans in the United States.

Mr. UNDERWOOD. Then your pay roll at Manila would not be as great as at San Francisco?

Colonel COLTON. We do a great many things in the customs service in the Philippine Islands that are not done at all by the customs service of the United States. For instance, we handle the entire immigration business, and administer the exclusion laws in force in the Philippine Islands, and that is not done at all by the customs service of the United States.

Mr. UNDERWOOD. Do you include that in the 3 and a fraction cents per hundred?

Colonel COLTON. Not altogether. It is almost impossible to entirely segregate it; and then the statistical work that is done in this country by the Department of Commerce and Labor and the Treasury is done by our customs service in Manila, and there are a great many things that we can not segregate that increase the cost of collection.

Mr. CLARK. How many ports are there in the Philippines?

Colonel COLTON. There are seven—Manila, Iloilo, Cebu, Zamboanga, Jolo, Balabac, and Davao.

Mr. CLARK. Are you a general supervisor of all of them?

Colonel COLTON. Yes, sir.

Mr. CLARK. The thing that runs the cost of collection up in the United States is the multiplicity of small ports where the collection of customs revenue is a dead loss.

One other question I want to ask you: Is there any advantage that foreign nations have in importing stuff into the Philippine Islands over the Americans by reason of putting their merchandise up in a shape and packages to suit the taste and prejudices of the Filipinos?

Colonel COLTON. Yes, sir. I think that the goods that are shipped into the Philippines by Europeans are usually better packed for that trade than American goods. That is one of the difficulties.

Mr. CLARK. I believe that was given once as a reason why we did not build up our South American and Central American trade more extensively—that the American manufacturers would pay no attention to the taste and prejudices of those people in packing. When you talk about the Filipinos using 11,000,000 cigarettes per day, do you mean these paper-wrapped things or small cigars?

Colonel COLTON. Paper-wrapped.

Mr. RANDELL. Do you mean cigarettes, or boxes of cigarettes?

Mr. HORD. It is individual cigarettes; 11,000,000 a day.

The CHAIRMAN. General Edwards, have you anyone else that you would like to have heard?

General EDWARDS. Hon. Benito Legarda, the Resident Commissioner of the Philippine Islands, is present, and will be glad to answer any question that may be propounded.

STATEMENT OF HON. BENITO LEGARDA, RESIDENT COMMISSIONER FROM THE PHILIPPINE ISLANDS.

The CHAIRMAN. Mr. Legarda, you are the Commissioner Resident from the Philippine Islands here in Washington, and were formerly a member of the commission?

Mr. LEGARDA. Yes, sir.

The CHAIRMAN. Have you examined into the revenue features of this bill?

Mr. LEGARDA. Yes, sir.

The CHAIRMAN. What do you say about this, in connection with the general tariff act that is now pending in the Senate, producing sufficient revenue for the needs of the Government?

Mr. LEGARDA. I think that this law will supply some of the falling off of the revenues of the Philippine government from the free trade with the United States. I am not a statistical expert. I am not acquainted with the scientific work of the experts who worked out this proposed tariff. I study a little during these days certain changes made in the law, and it seems to me that the proposed law is in better shape than the old one. I know that this law has been drafted by the board of experts in Manila appointed by the governor-general in view of the proposed change of the Payne bill, and everybody there has been given a chance to be heard, and from my information, both from papers and private correspondence, everybody is agreeable to the law that has been drafted.

Mr. UNDERWOOD. Have you examined the rates of duties levied on the various commodities in this bill?

Mr. LEGARDA. Some of them, yes.

Mr. UNDERWOOD. Do you think the rates of duty levied under the bill will be fair and equitable for the people you represent?

Mr. LEGARDA. So I understand.

Mr. UNDERWOOD. You think they will be?

Mr. LEGARDA. Yes.

General EDWARDS. I might interrupt and state that Commissioner Legarda is about as actively interested in every trade and pursuit and everything else in the Philippine Islands as anybody I know.

The CHAIRMAN. You are a large manufacturer of cigars and cigarettes, are you not?

Mr. LEGARDA. Yes, sir.

The CHAIRMAN. Have you been in that business for a long time?

Mr. LEGARDA. Yes; since the American occupation.

The CHAIRMAN. Do you think it is possible for you to extend your business any by importing American leaf or wrapper?

Mr. LEGARDA. I think so. We have already here some samples of cigars made in the Philippines with Connecticut wrapper.

The CHAIRMAN. Using that imported leaf, can you extend your market in the Orient outside of the Philippine Islands—that is, getting it free?

Mr. LEGARDA. Yes; but our consumers in the Orient want to have the Sumatra leaf, the Sumatra wrapper. They are accustomed to it, and it will be a drawback to us and make a loss of our trade with the Orient if we attempt to force them to use Connecticut wrappers at once, but they can be gradually introduced into those markets.

Mr. CLARK. Mr. Commissioner, what is the reason you do not raise your own wrappers over there?

Mr. LEGARDA. I do not know why, sir, but everything has been tried. We imported there Cuban labor. We have imported there Cuban seeds. La Tabacalera is a very large company, and many of the owners of the company, or the shareholders or directors of the company, have been in Cuba and studied the conditions there, and have tried to introduce them in the Philippines, and they imported some labor from Cuba; and besides that one German company has quite a large holding of land in the Cagayan Valley, and they tried

to introduce there the Sumatra seed and labor and all the contrivances that the Sumatra people use in the Sumatra fields, and they have not succeeded yet in getting the wrappers.

Mr. CLARK. Do you use the Sumatra wrappers entirely?

Mr. LEGARDA. No. We have our own. What is the proportion, Mr. Hord, of wrappers raised in the Cagayan Valley?

Mr. HORD. It has been calculated at between 2 and 5 per cent.

Mr. CLARK. There is something in the climatic conditions, then, that prevents you from raising these wrappers? That is about the size of it?

Mr. LEGARDA. Yes; I think it is.

General EDWARDS. Under Spain they had a tobacco monopoly, and they could not raise it then. All the energy of Spain was put forth to make them raise better leaf.

Mr. HILL. Have you had success in raising Sumatra seed in the Philippine Islands? I understand repeated failures have been made.

Mr. LEGARDA. Repeated failures have been made with Sumatra, and the same with Cuban seed; yes.

Mr. HILL. What is the comparative value of the amount required to wrap 1,000 cigars? That is the whole story; it tells the whole story as to the comparative value of the two.

Mr. LEGARDA. We have some that are very thick.

Mr. CLARK. Sumatra wrapper is made on very poor land in Connecticut.

Mr. HILL. We have no poor land in Connecticut. [Laughter.]

Mr. CLARK. It is raised on very poor land, is it not? If the land is rich, it makes the tobacco very heavy and thick.

Mr. LEGARDA. I guess that is so. Then, there is the color. That is essential in the trade.

Mr. HILL. The commissioner of internal revenue stated that only about one-half of 1 per cent of the tobacco of the Philippine Islands was of light color. Is that correct?

Mr. LEGARDA. Yes.

Mr. CLARK. That grows out of the richness of the soil. It is the richness of the soil that makes it black?

Mr. LEGARDA. No. Perhaps it is in the fermentation, the way they use to ferment; and something, of course, is in the soil.

The CHAIRMAN. But on account of its nearness to Missouri——

Mr. CLARK. I will tell you about it. The best tobacco raised for wrapper in the United States, barring the Sumatra tobacco, is raised on poor white-oak ridges. It makes a tobacco light in color and thin in texture.

Mr. GAINES. You are talking about the plug wrapper, are you not?

Mr. CLARK. No. You take the tobacco planted in Virginia and plant it in Missouri and out in our country, and the second crop of it is very heavy and thick. The wrappers do not succeed except when you get a poor white-oak ridge. I know there are fellows in my district that raise it that get \$1.25 a pound for it. It takes poor white-oak land to raise a fine wrapper.

Mr. CALDERHEAD. Is there not some in Osceola County?

Mr. CLARK. I think there is some around there.

The CHAIRMAN. Have you any other questions, gentlemen?

Mr. CLARK. Mr. Witness, if this bill passes are you going to get your wrappers any cheaper than you do now?

Mr. LEGARDA. Sure.

Mr. CLARK. Where do you intend to get them from?

Mr. LEGARDA. Connecticut.

The CHAIRMAN. If there are no further witnesses to be heard the hearing will be considered closed and the meeting will stand adjourned.

Mr. GAINES. Mr. Chairman, Mr. McLean says he wishes to file a brief on two matters that have been presented this morning, and I told him you would receive the brief.

The CHAIRMAN. We will hear him now if he desires.

Mr. GAINES. He is not ready to be heard now. He received his papers only this morning.

The CHAIRMAN. Is he an attorney? Is he not a practical man in the business?

STATEMENT OF WALLACE D. McLEAN, ESQ., OF WASHINGTON, D. C.

These papers, Mr. Chairman, came from Paris. They are on three items of this bill with which I am not at all familiar. The papers are very complete.

The CHAIRMAN. When will you file the brief? At once? We want to print this hearing promptly.

Mr. McLEAN. How soon will you want it?

The CHAIRMAN. The hearing will be ready to-morrow morning.

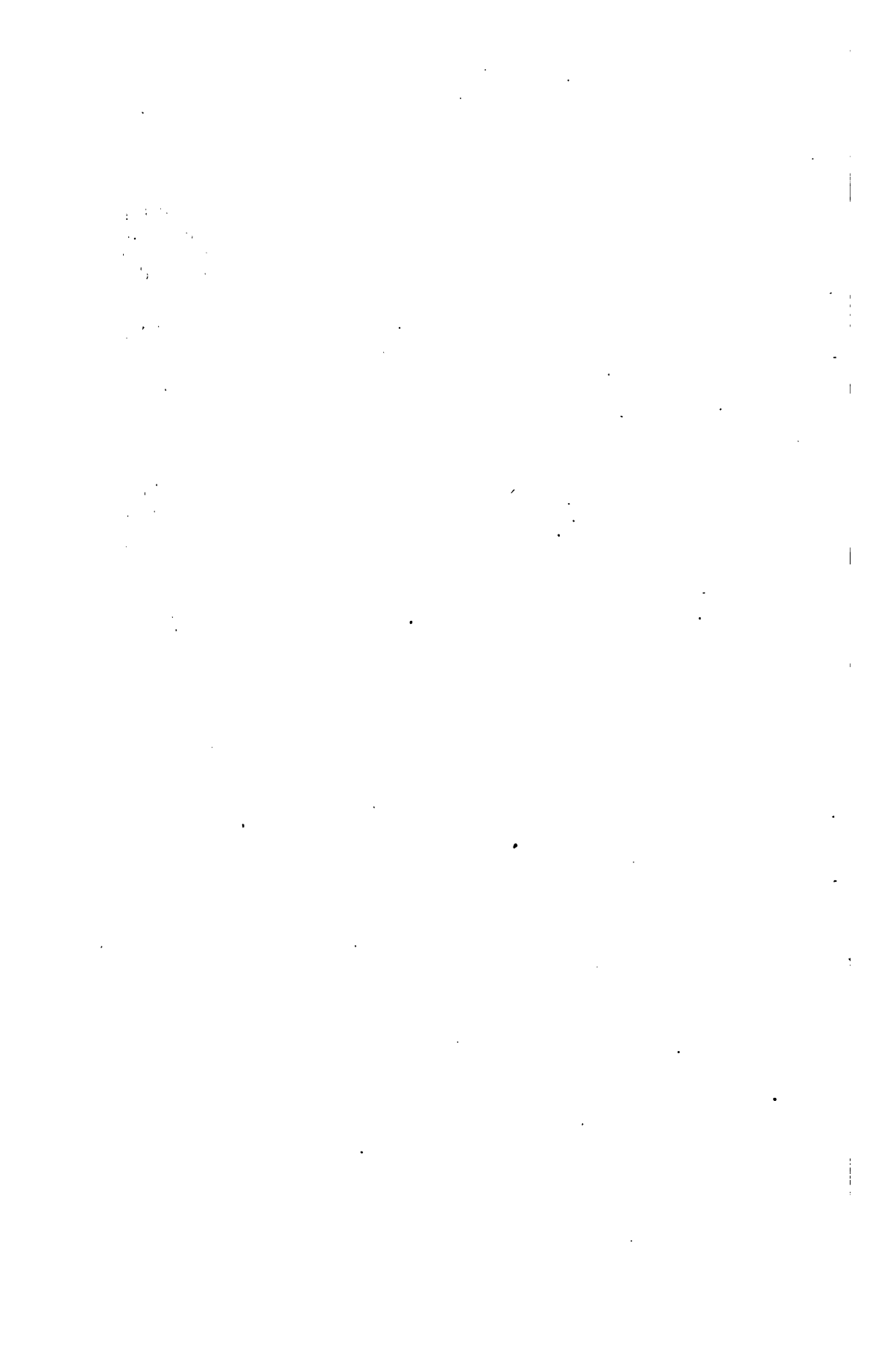
Mr. McLEAN. I doubt if I can prepare it to-morrow morning, Mr. Payne.

The CHAIRMAN. We want to print it just as soon as we can.

Mr. McLEAN. I will try to hand it in to-morrow.

The CHAIRMAN. Very well. File the papers to-morrow.

(Thereupon, at 1 o'clock p. m., the hearing was concluded.)



APPENDIX

IMPORTS, EXPORTS, AND PRODUCTION

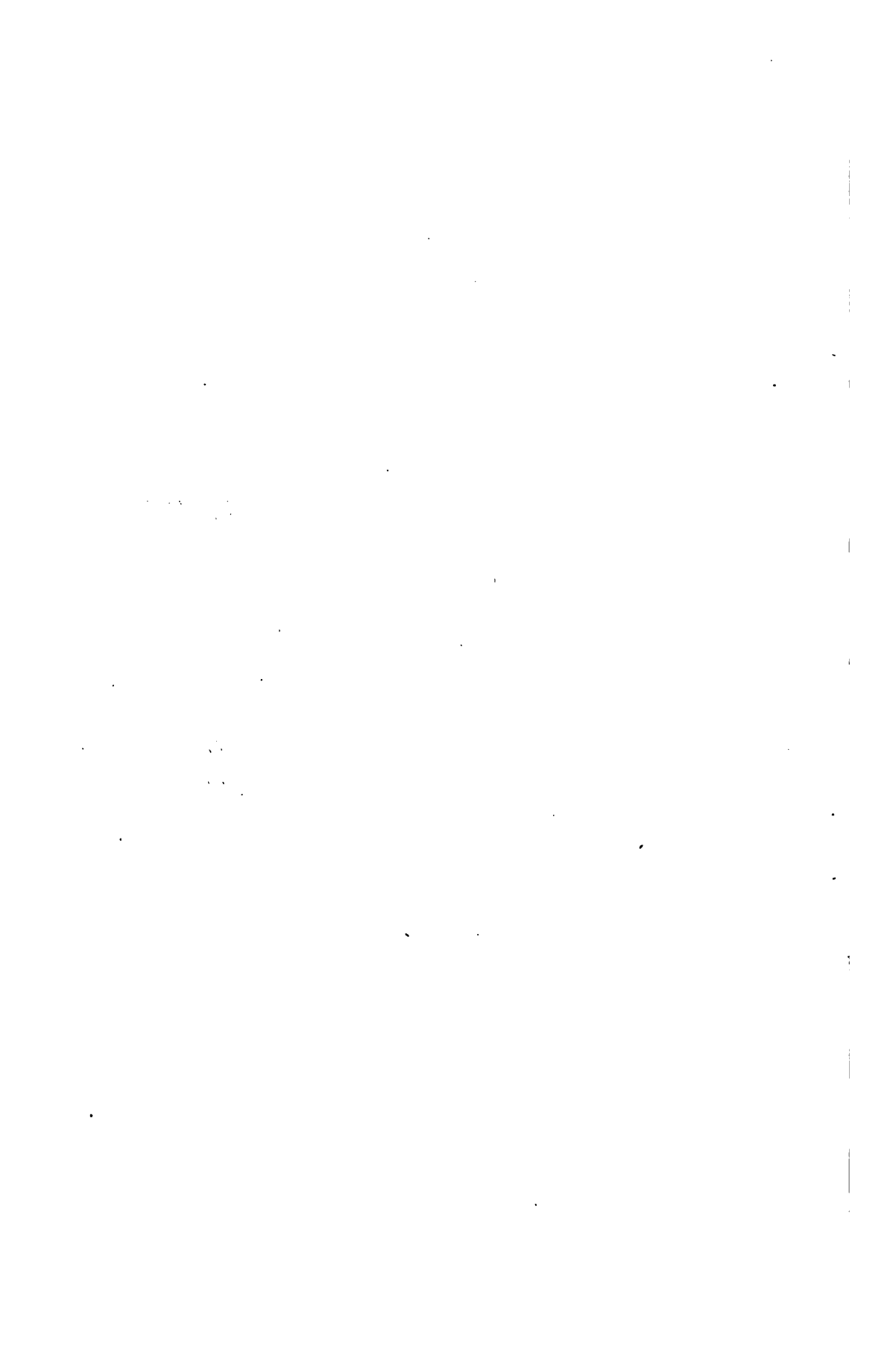
IN THE

PHILIPPINE ISLANDS

1901 to 1908

WITH COMPARATIVE DATA FOR PORTO RICO
SINCE THE ESTABLISHMENT OF FREE TRADE
WITH THE UNITED STATES IN 1901

Compiled in the Bureau of Internal Revenue, Manila, P. I., under
the direction of Jno. S. HORD, Collector of Internal
Revenue for the Philippine Islands



FOLDER No. 1.

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EXHIBIT No. 1.

Comparative statement of the values of principal commodities, exclusive of currency, imported during the fiscal year 1908 into the Philippine Islands from the United States and eight other countries, together with the value of all commodities from said countries and the value of principal commodities from all countries.^a

Commodities.	United States.	United Kingdom.	Germany.	France.	Spain.	China.	Hong-kong.	Japan.	British East Indies.	All other countries.	All countries.
Agricultural implements.....	\$26,303	\$26,434	\$4,517	\$5,625	\$58,889	\$743	\$528	\$4,389	\$683	\$105	\$58,630
Books, music, maps, etc.....	54,448	4,167	33,227	5,337	1,371	1,940	1,802	1,075	12,391	10,223	165,193
Brass and manufactures of.....	39,129	33,553	42,101	10	13,121	2,083	1,516	4,079	46,206	12,391	142,645
Candles.....	21	2,001	211	10	13,121	1,303	4	73	10,505	10,505	73,382
Cars, carriages, etc.....	36,452	12,174	15,853	16,580	253	91	168	69	6,850	6,850	88,647
Cement.....	3,132	1,218	25,483	828	4	56	288,868	69	14,677	14,677	331,143
Cocoa.....	9,562	1,553	1,256	258	2,069	129	952	1,686	204,901	496	211,656
Copper, and manufactures of.....	15,595	60,717	8,126	3,308	58	3,901	1,375	515,615	112,943	30,708	155,542
Cotton, and manufactures of.....	685,919	4,161,487	502,223	120,308	592,770	158,219	1,375	35,835	1,388	2,737	98,468
Chemicals, drugs, and dyes.....	100,724	78,081	84,351	48,759	18,928	39,269	1,364	30,192	312,276	961,642	8,011,834
Earthen and stone ware.....	1,417	23,975	23,052	5,335	1,599	28,119	306	30,798	131,413	60,738	568,916
Fibers, vegetable, manufactures of.....	6,335	117,584	28,106	4,309	177,057	106,277	13,785	152	114,500	15,388	145,713
Flour.....	507,235	588	320	1,677	23,351	33,740	13	1,575	3,747	25,033	1,044,570
Fruits, fresh, dried, and canned.....	30,208	6,752	78,198	13,841	8,838	15,220	1,102	22,799	1,515	15,034	126,416
Glass and glassware.....	17,280	16,386	16,669	6,224	28,379	787	199	8,464	1,183	32,122	190,213
Hats and caps.....	13,389	7,786	16,669	6,224	28,379	787	199	8,464	1,183	32,122	115,202
Iron and steel, and manufactures of.....	802,313	619,389	428,915	49,865	5,104	21,138	17,842	15,932	8,927	195,482	2,164,907
Gold and silver, manufactures of.....	22,059	1,424	5,177	19,830	147	2,257	3,025	2,209	1,260	519	57,907
Leather, and manufactures of.....	338,929	1,715	12,624	1,383	86,391	1,890	67	3,032	644	4,746	451,421
Boots and shoes.....	123,827	27,328	13,564	9,871	14,960	3,097	161	22,900	89	4,724	220,541
All other.....	619,545	38	20,567	6,281	528	1,079	35	101	42,237	144,292	806,112
Oil, illuminating.....	19,099	74,038	70,433	97,734	60,478	24,454	847	11,280	127	3,369	125,224
Paints, pigments, and colors.....	167,928	30,489	12,665	16,772	668	373	364	2,638	4,322	58,469	526,434
Paper, and manufactures of.....	20,663	958	12,665	16,772	2,801	373	364	2,638	4,322	58,469	526,434
Plated ware.....	20,663	958	12,665	16,772	2,801	373	364	2,638	4,322	58,469	526,434
Rice.....									48,594	5,808,366	5,861,266

Rubber, manufactures of.....	80,472	33,135	7,368	5,251	410	1,414	129	891	3,935	5,583	138,588
Silk, manufactures of.....	12,978	29,228	55,721	86,350	11,507	224,267	320	56,453	1,697	56,090	534,611
Spirits, distilled.....	70,262	90,749	1,614	16,039	8,084	523	359	3	12,902	39,691	240,226
Sugar, refined.....	371	145	4,047	.....	.....	98	94,299	.....	517	2,387	101,864
Tobacco, and manufactures of.....	1,458	921	3,977	86	8	10,538	416	214	182	17,071	34,871
Vegetables, canned.....	28,351	3,076	2,220	4,279	38,152	7,197	.....	1,760	38	6,033	91,106
Wines.....	4,334	3,181	3,296	44,587	131,198	1,493	38	28	28	7,028	195,211
Wood, and manufactures of.....	140,939	7,135	56,560	7,562	2,391	14,781	4,086	10,618	15,014	134,891	393,977
Wool, and manufactures of.....	5,308	53,494	58,970	16,881	3,655	5,285	178	2,241	547	24,409	170,968
All other commodities.....	1,073,685	578,687	322,266	206,178	361,289	1,787,393	29,802	354,243	164,923	1,727,005	6,605,471
All commodities.....	5,079,670	6,109,586	1,933,808	821,348	1,654,480	2,499,169	463,970	1,111,863	1,239,084	10,005,767	30,918,745

^a Figures from the annual report of the insular collector of customs for 1908.

^b Of this amount imports to value of \$616,652 are from Switzerland.

^c Of this amount imports to value of \$536,322 are from British Australasia.

^d Of this amount imports to value of \$30,340 are from Italy.

^e Of this amount imports to value of \$5,502,186 are from French East Indies.

EXHIBIT NO. 2.

Comparative statement of the values of principal commodities, exclusive of currency, imported from the United States and from all other countries at all ports of the Philippine Islands, by fiscal years.^a

Commodity.	1901.	1902.	1903.	1904.	1905.	1906.	1907.	1908.
CHEMICALS, DRUGS, AND DYES:								
United States.....	\$28, 631	\$35, 029	\$60, 777	\$63, 997	\$64, 855	\$81, 393	\$73, 838	\$100, 724
All other countries.....	889, 116	1, 035, 240	1, 049, 971	1, 061, 072	1, 125, 917	749, 822	810, 056	468, 192
COTTON GOODS:								
United States.....	94, 665	167, 887	389, 303	319, 666	764, 088	278, 796	1, 056, 328	685, 919
All other countries.....	9, 346, 382	6, 798, 091	5, 895, 067	4, 642, 688	5, 572, 874	6, 363, 533	7, 263, 751	7, 325, 915
FIBERS, VEGETABLE, MANUFACTURES OF:								
United States.....	17, 069	17, 511	6, 964	24, 971	12, 062	15, 611	9, 146	6, 335
All other countries.....	313, 826	404, 367	324, 627	234, 499	258, 982	322, 214	546, 329	607, 804
FLOUR:								
United States.....	356, 193	642, 672	686, 291	833, 056	613, 987	446, 076	370, 271	507, 235
All other countries.....	145, 006	43, 298	41, 659	9, 852	113, 604	377, 958	518, 903	537, 335
IRON, STEEL, AND MANUFACTURES OF:								
United States.....	287, 957	431, 888	465, 720	821, 160	1, 147, 387	693, 016	864, 336	802, 313
All other countries.....	1, 573, 991	1, 656, 222	1, 436, 771	1, 591, 776	1, 498, 736	1, 103, 637	1, 680, 656	1, 362, 594
LEATHER, AND MANUFACTURES OF, INCLUDING BOOTS AND SHOES:								
United States.....	38, 086	83, 610	118, 332	147, 586	214, 326	240, 414	304, 364	462, 756
All other countries.....	295, 297	366, 321	568, 454	344, 949	278, 841	220, 806	174, 770	209, 206
LIQUORS, MALT:								
United States.....	855, 326	466, 257	397, 382	221, 632	215, 895	139, 932	79, 730	43, 756
All other countries.....	192, 409	81, 260	90, 749	88, 779	62, 837	85, 550	62, 108	46, 836
OILS, ILLUMINATING:								
United States.....	22, 748	213, 312	325, 576	246, 519	443, 512	272, 231	551, 699	619, 545
All other countries.....	428, 601	284, 327	326, 981	238, 916	349, 385	86, 086	238, 748	186, 567
PAPER, AND MANUFACTURES OF:								
United States.....	77, 192	280, 192	134, 701	102, 864	141, 232	115, 912	135, 473	167, 928
All other countries.....	397, 802	388, 513	368, 534	387, 942	373, 829	294, 171	373, 281	358, 506

PROVISIONS, INCLUDING BEEF, HOG, AND OTHER ANIMAL AND DAIRY PRODUCTS:									
United States.....	82,570	108,305	137,410	207,631	211,490	221,084	194,250	195,027	
All other countries.....	535,529	688,619	885,479	995,755	1,225,983	1,137,187	1,056,824	1,325,342	
RICE:									
United States.....	5,490,959	6,578,481	10,061,323	11,548,814	7,456,738	4,375,500	3,662,493	5,861,256	
All other countries.....									
SILK, AND MANUFACTURES OF:									
United States.....	3,275	4,068	5,710	4,853	10,290	5,943	4,880	12,878	
All other countries.....	694,793	913,839	660,152	541,189	470,436	366,154	417,115	521,633	
SPIRITS, DISTILLED:									
United States.....	218,767	238,131	120,656	84,977	102,499	55,931	52,774	68,760	
All other countries.....	193,092	272,127	187,025	142,601	167,207	143,594	166,193	171,466	
ALL OTHER IMPORTS:									
United States.....	584,451	1,346,381	1,095,260	1,553,895	1,820,037	1,767,578	1,966,913	1,406,394	
All other countries.....	7,112,468	8,483,409	7,137,571	6,759,612	6,162,019	5,839,161	7,030,593	6,856,423	
TOTAL IMPORTS:									
United States.....	2,666,930	4,035,243	3,944,082	4,632,807	5,761,660	4,333,917	5,664,002	5,079,670	
All other countries.....	27,609,270	27,994,114	29,034,363	28,586,444	25,117,388	21,465,373	24,001,820	25,839,075	
Grand total imports, all sources.	30,276,200	32,029,357	32,978,445	33,221,251	30,879,048	25,799,290	29,665,822	30,918,745	

^a Figures from the annual report of the insular collector of customs for 1908.

^b Figures include value of material for railway construction amounting to \$879,759, entered free of duty.

^c Figures exclude value of material for railway construction amounting to \$2,777,817, entered free of duty.

EXHIBIT No. 3.

Comparative statement showing the quantities, by countries, of some of the principal commodities imported into the Philippine Islands during the fiscal year 1908. ^a

CEMENT (pounds):		RICE (pounds):		TOBACCO, LEAF (pounds)—Con.	
United Kingdom.....	149,990	Spain.....	78,702	Netherlands.....	5,696
Germany.....	4,447,835	Japan.....	69,076	China.....	442
France.....	179,012	East Indies—British.....	2,660,258	Hongkong.....	4
Italy.....	386	Dutch.....	6,025	East Indies—Dutch.....	48
Belgium.....	3,378,218	French.....	336,156,116	Total.....	22,182
Russia.....	324,539	Siam.....	18,562,337		
Hongkong.....	54,019,514	Total.....	357,532,514		
Japan.....	19,952				
Total.....	62,519,446				
FLOUR (barrels):		SPIRITS, DISTILLED, INCLUDING		VEGETABLES, CANNED (pounds):	
United States.....	122,624	BRANDY, WHISKY, AND ALL		United States.....	557,158
United Kingdom.....	127	OTHER DISTILLED SPIRITS (gal-		United Kingdom.....	30,294
Spain.....	10	lons):		Germany.....	22,259
Canada.....	10	United States.....	35,591	France.....	44,488
Hongkong.....	40	United Kingdom.....	44,854	Spain.....	659,602
East Indies—British.....	31	Germany.....	609	Italy.....	8,861
Turkey in Asia.....	2	France.....	5,336	Belgium.....	64,555
British Australasia.....	133,232	Spain.....	1,909	Netherlands.....	15,380
Total.....	256,066	Canada.....	4,298	Switzerland.....	117,260
		Hongkong.....	121	China.....	29,935
		China.....	373	Japan.....	806
		British East Indies.....	21,417	East Indies—British.....	1,984
		Netherlands.....	48,775	British Australasia.....	86
		Italy.....	86	Siam.....	
		Austria-Hungary.....	63	Total.....	1,552,778
		Belgium.....	18		
		Switzerland.....	61		
		Japan.....	2		
		British West Indies.....	23		
		Total.....	163,536		
LEATHER, AND MANUFACTURES		WINES, ALL KINDS (gallons):			
OF:		United States.....			
Boots and shoes (pairs)—		United Kingdom.....			
United States.....	208,836	Germany.....	1,879		
United Kingdom.....	1,451	France.....	13,173		
Germany.....	19,199	Spain.....	380,822		
France.....	993	Italy.....			
Spain.....	195,593	Austria-Hungary.....	5,450		
Italy.....	960				
Austria-Hungary.....	5,450				

Belgium.....	1,058	SUGAR, REFINED (pounds):	Italy.....	6,981
Switzerland.....	967	United States.....	Austria-Hungary.....	1
China.....	3,242	United Kingdom.....	Belgium.....	322
Hongkong.....	162	Germany.....	Portugal.....	36
Japan.....	4,924	Netherlands.....	Netherlands.....	194
East Indies—British.....	1,381	China.....	Switzerland.....	259
British Australasia.....	80	British China.....	China.....	2,156
Total.....	444,296	Hongkong.....	Hongkong.....	3
		East Indies—British.....	Japan.....	29
		Dutch.....	East Indies—British.....	12
			French.....	20
			British Australasia.....	418
			Total.....	414,787
OILS, ILLUMINATING (gallons):				
United States.....	7,658,550			
United Kingdom.....	302			
East Indies—British.....	318,795	TOBACCO, LEAF (pounds):		
Dutch.....	1,101,458	United States.....		
Russia.....	500	Germany.....		
Total.....	9,079,605	Belgium.....		

^a Figures from the annual report of the insular collector of customs for 1908.

EXHIBIT No. 4.

Comparative statement showing the values of total imports into the Philippine Islands during specified calendar years, 1855 to 1905, and in the fiscal years 1906 to 1908, by countries of origin.^a

[Compiled by the Insular Bureau of the War Department, 1855 to 1894, gold and silver included; 1900 to 1904, coin movement and United States Government supplies are excluded. Figures prior to 1900 are taken from "Estadística general del comercio exterior de las Islas Filipinas," issued by the Spanish Government.]

Year.	United States.	United Kingdom.	Germany.	France.	Spain.	China.	Hongkong. ^b	Japan.	British East Indies.	French East Indies.	Other countries.	Total.
1855.												c\$5,040,709
1856.	\$294,454	\$2,653,265			\$302,175	\$3,354,747			\$588,016		\$156,315	7,348,972
1857.	398,585	3,673,790	\$120,257		904,577	4,085,699			1,026,271		322,280	10,531,459
1858.	45,762	3,840,584	123,157	\$1,260	467,827	908,525			370,024		366,309	6,123,448
1859.												c6,704,298
1860.	403,368	5,479,299	161,058	28,301	644,305	2,020,379			448,092	\$3,405	93,114	9,281,321
1861.	70,944	7,158,154			525,579	2,230,209			537,518	11,503	91,217	10,625,124
1862.	94,270	2,988,505	255,531	22,831	1,160,043	2,230,554			339,708	6,504	246,410	7,344,356
1863.	146,657	2,646,112	74,664	13,169	658,605	3,630,813			536,936		120	7,890,572
1864.	152,372	3,774,144	226,060	86,197	912,621	5,826,389			398,731		146,460	11,522,974
1865.	160,276	3,991,372	292,004		497,419	4,000,293			285,234		164,362	9,390,960
1866.	87,976	5,354,412	6,006	82	350,051	2,862,334		(e)	447,460		208,081	9,316,402
1867.	29,999	4,443,587	141,151		343,003	2,570,333		(e)	195,849		200,483	7,924,405
1868.												()
1869.												()
1870.												()
1871.												()
1872.	32,132	3,634,792	227,335	16,117	514,522	d 399,383		(e)	8,171,979	159,921	326,012	923,027,505
1873.	71,984	3,492,349	136,286		443,490	498,093		\$12,878	8,574,411	349,844	194,440	13,482,193
1874.	137,828	2,990,633	256,418		624,123	445,998		417	7,305,543	34,244	126,786	19,772,775
1875.	71,920	2,856,999	202,798		550,032	1,324,648		29,214	5,830,839	5,284	96,518	11,921,990
1876.	141,632	4,536,695	295,590		908,204	1,171,265		65,984	10,718,841	508,024	95,621	10,968,252
1877.	121,152	3,787,311	199,237		685,296	1,259,991		297,174	8,553,184	246,407	517,568	15,667,320
1878.	194,717	2,823,434	294,536		697,325	987,805		51,023	10,233,189	568,548	71,310	15,921,857
1879.	442,132	5,740,089	256,471		749,854	971,205		45,614	14,714,459	164,124	140,039	22,943,987
1880.												
1881.	771,266	5,297,873	485,766		1,365,661	555,103		793	9,953,207		61,535	18,491,716

1882.....	1, 377, 863	5, 899, 064	608, 637	967	2, 040, 195	471, 918	457	8, 408, 755	131, 563	25, 181	18, 984, 600
1883.....	868, 049	5, 042, 505	216, 960	169, 720	675, 382	426, 218	1, 115	10, 324, 858	808, 829	30, 696	18, 559, 332
1884.....	398, 215	5, 168, 087	1, 298, 010	323, 123	879, 103	646, 660	7, 618	7, 171, 697	1, 644, 227	1, 011, 228	18, 547, 968
1885.....	129, 117	6, 835, 859	1, 063, 219	365, 739	1, 477, 277	490, 102	990	4, 783, 174	486, 713	395, 329	16, 046, 519
1886.....	424, 697	5, 366, 384	1, 158, 662	292, 825	1, 425, 708	406, 319	157	5, 259, 945	862, 975	415, 882	15, 697, 554
1887.....	403, 034	4, 859, 600	517, 340	217, 226	1, 913, 737	390, 610	62	3, 936, 590	877, 763	382, 290	13, 498, 252
1888.....	462, 936	7, 174, 927	874, 286	432, 686	659, 771	3, 280, 205	78, 900	1, 007, 715	1, 185, 387	496, 047	15, 631, 860
1889.....	558, 255	5, 583, 293	1, 380, 664	678, 254	1, 021, 443	4, 315, 168	13, 782	1, 990, 739	2, 058, 608	621, 110	18, 221, 316
1890.....	540, 506	5, 767, 568	185, 454	22, 166	1, 124, 859	3, 903, 722	31, 193	2, 541, 158	1, 558, 423	598, 296	16, 273, 345
1891.....	347, 338	5, 122, 687	312, 092	171, 888	3, 376, 257	3, 534, 735	38, 861	1, 812, 692	1, 711, 893	369, 851	16, 798, 294
1892.....	208, 392	5, 196, 192	527, 587	272, 866	4, 397, 642	3, 029, 940	37, 972	987, 652	1, 003, 074	653, 584	16, 314, 901
1893.....	956, 706	4, 247, 883	1, 246, 248	477, 026	5, 104, 875	2, 237, 471	182, 678	158, 741	517, 933	760, 941	15, 890, 502
1894.....	362, 878	3, 526, 211	928, 093	398, 197	5, 244, 459	2, 296, 176	86, 247	220, 181	443, 723	744, 552	14, 250, 717
1900.....	2, 153, 198	5, 576, 931	1, 631, 816	978, 095	1, 989, 235	3, 127, 569	441, 319	1, 745, 124	760, 084	1, 849, 495	24, 863, 779
1901.....	3, 534, 255	5, 692, 579	2, 205, 695	1, 907, 074	1, 934, 251	3, 884, 966	1, 061, 131	3, 384, 065	2, 359, 039	3, 033, 678	30, 162, 471
1902.....	4, 153, 174	5, 639, 274	2, 262, 039	1, 204, 727	2, 917, 546	4, 938, 185	726, 637	1, 668, 326	5, 575, 199	2, 726, 701	33, 342, 166
1903.....	3, 837, 100	4, 619, 133	1, 761, 996	1, 292, 154	2, 045, 965	4, 628, 431	811, 737	2, 715, 524	8, 168, 721	3, 420, 581	33, 811, 384
1904.....	5, 098, 820	4, 341, 024	1, 454, 822	853, 176	2, 002, 853	3, 093, 082	835, 012	2, 107, 698	6, 375, 522	3, 107, 305	29, 577, 731
1905.....	5, 589, 946	5, 105, 907	1, 435, 808	899, 043	1, 971, 631	2, 860, 911	832, 557	1, 909, 718	5, 347, 130	3, 871, 404	30, 050, 550
1906.....	4, 333, 893	5, 224, 020	1, 360, 961	833, 858	1, 787, 310	2, 654, 214	657, 386	1, 515, 042	3, 854, 217	274, 074	25, 799, 266
1907.....	5, 664, 002	6, 645, 575	1, 655, 422	851, 529	1, 756, 667	2, 759, 715	1, 010, 043	1, 626, 299	3, 474, 236	3, 875, 712	29, 665, 822
1908.....	5, 079, 670	6, 109, 586	1, 933, 808	821, 348	1, 654, 480	2, 499, 169	1, 111, 863	1, 239, 084	5, 746, 414	4, 259, 353	30, 918, 745

^a Figures from "The Commercial Philippines in 1906."

^b Hongkong included under China from 1856 to 1867 and from 1888 to 1894; under British East Indies from 1873 to 1887.

^c Distribution by countries not reported.

^d Includes Cochinchina and Japan, not separately reported.

^e Included under China.

^f Figures not available.

^g Of which \$1,523,668 was from Australasia.

EXHIBIT No. 5.

Comparative statement showing values of principal products exported from the Philippine Islands to the United States and all other countries by fiscal years.^a

Commodity.	1901.	1902.	1903.	1904.	1905.	1906.	1907.	1908.
HEMP:								
United States.....	\$2,402,867	\$7,261,459	\$12,314,312	\$10,631,591	\$12,954,515	\$11,168,226	\$11,326,864	\$7,684,000
All other countries.....	12,050,243	8,579,857	9,387,263	11,163,369	9,191,726	8,278,543	9,758,217	9,627,808
SUGAR:								
United States.....	93,472	293,354	1,335,826	354,144	2,618,487	260,104	234,074	2,036,697
All other countries.....	2,199,586	2,468,078	2,620,002	2,314,363	2,358,539	4,603,761	3,700,386	3,627,969
COPRA:								
United States.....	4,450	7	9,173	9,231	14,425	.....	108,086	228,565
All other countries.....	2,643,855	1,001,649	4,463,506	2,517,788	2,080,927	4,043,115	3,945,107	5,233,115
CIGARS:								
United States.....	5,027	8,539	3,866	1,795	6,790	23,405	26,067	21,781
All other countries.....	1,246,148	1,658,281	943,278	967,074	961,232	880,845	1,025,554	1,062,297
CIGARETTES:								
United States.....	.....	76	3	27	30	88	216	389
All other countries.....	11,092	9,919	20,696	12,559	16,374	16,713	104,062	37,956
ALL OTHER TOBACCO:								
United States.....	.....	.....	42,293	35	.....	7,510	.....	.....
All other countries.....	956,461	824,652	871,654	1,031,797	1,011,612	1,461,329	1,973,305	1,592,123
ALL OTHER EXPORTS:								
United States.....	66,205	128,308	157,586	105,952	73,779	120,836	387,057	360,684
All other countries.....	1,543,942	2,310,679	980,662	1,116,402	1,067,429	1,054,067	1,132,782	1,316,432
Total exports to—								
United States.....	2,572,021	7,691,743	13,863,059	11,102,775	15,663,026	11,580,169	12,082,364	10,332,116
All other countries.....	20,650,327	16,853,115	19,287,061	19,123,352	16,687,839	20,338,373	21,639,403	22,497,700
Grand total exports to all countries.....	23,222,348	24,544,858	33,150,120	30,226,127	32,355,865	31,918,542	33,721,767	32,829,816

^a Figures from the annual report of the insular collector of customs for 1908.

PHILIPPINE TARIFF BILL.

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EXHIBIT No. 8.

Comparative statement showing quantities of principal products exported from the Philippine Islands to the United States and all other countries by fiscal years.^a

Commodity.	1901.	1902.	1903.	1904.	1905.	1906.	1907.	1908.
HEMP (tons):								
United States.....	17, 872	44, 810	70, 526	60, 912	72, 196	61, 068	57, 469	48, 045
All other countries.....	92, 576	63, 427	59, 532	67, 821	56, 368	49, 331	55, 426	65, 960
SUGAR (tons): ^b								
United States.....	2, 119	5, 143	33, 891	11, 443	56, 948	7, 187	6, 506	48, 697
All other countries.....	53, 571	61, 830	76, 023	62, 534	54, 901	116, 626	111, 889	100, 625
COPRA (tons): ^b								
United States.....	101		60	171	201		1, 092	2, 921
All other countries.....	51, 151	19, 375	96, 026	53, 102	36, 314	65, 112	47, 214	72, 291
CIGARS (thousands):								
United States.....	1, 335	464	332	96	336	1, 288	1, 593	1, 365
All other countries.....	148, 161	224, 956	119, 389	104, 718	106, 235	91, 848	115, 126	116, 199
CIGARETTES (thousands):								
United States.....		47	5	14	30	126	128	288
All other countries.....	7, 844	7, 142	20, 498	11, 790	18, 245	18, 766	152, 649	60, 616
LEAF AND ALL OTHER TOBACCO (pounds):								
United States.....			244, 377	211		110, 120		
All other countries.....	17, 936, 905	21, 846, 686	20, 500, 287	19, 142, 021	17, 344, 574	21, 360, 225	30, 133, 080	23, 264, 901

^a Figures from the annual report of the insular collector of customs for 1908.

^b Fractions of tons omitted.

EXHIBIT No. 7.

Comparative statement of the value of exports from the Philippine Islands, by countries, during the eight fiscal years ending June 30, 1908, in the order of relative importance during the fiscal year 1908. a

Country.	1901.	1902.	1903.	1904.	1905.	1906.	1907.	1908.
United States.....	\$2, 573, 000	\$7, 696, 000	\$13, 869, 000	\$11, 104, 000	\$15, 668, 026	\$11, 580, 169	\$12, 082, 364	\$10, 332, 116
United Kingdom.....	10, 705, 000	8, 283, 000	8, 802, 000	10, 123, 000	8, 292, 288	7, 499, 627	8, 749, 214	8, 870, 923
France.....	1, 934, 000	956, 000	3, 679, 000	2, 127, 000	1, 491, 753	2, 703, 328	2, 689, 593	3, 905, 878
Hongkong b.....					2, 361, 958	3, 659, 031	2, 551, 902	2, 438, 438
Spain.....	1, 655, 000	869, 000	755, 000	966, 000	1, 434, 126	1, 803, 455	1, 794, 890	1, 719, 612
China c.....	2, 771, 000	3, 646, 000	2, 528, 000	2, 782, 000	1, 007, 957	1, 705, 809	2, 035, 390	1, 527, 323
British East Indies.....	759, 000	671, 000	836, 000	658, 000	624, 312	667, 022	799, 123	911, 767
Germany.....	82, 000	76, 000	307, 000	107, 000	129, 610	459, 426	788, 018	602, 085
Australasia.....	600, 000	438, 000	336, 000	443, 000	442, 922	457, 271	481, 576	528, 208
Belgium.....	3, 000	47, 000	142, 000	55, 000	43, 720	182, 861	244, 759	516, 396
Japan.....	1, 444, 000	926, 000	1, 502, 000	1, 205, 000	548, 607	532, 245	477, 070	493, 800
Austria-Hungary.....	289, 000	89, 000	162, 000	253, 000	37, 282	379, 021	340, 145	336, 671
Italy d.....					59, 316	71, 260	155, 284	248, 013
Netherlands d.....	11, 000	27, 000	25, 000	30, 000	73, 032	65, 852	313, 056	193, 759
Dutch East Indies.....					24, 132	31, 509	24, 632	35, 002
Korea d.....	8, 000	11, 000	12, 000	18, 000	2, 080	3, 534	7, 198	14, 162
Canada.....					11, 308	6, 335	56, 820	13, 425
French East Indies d.....							8, 246	12, 345
Siam d.....					830	8, 760	7, 760	11, 882
British Africa.....	17, 000	122, 000	12, 000	52, 000			14, 553	11, 314
Uruguay d.....					7, 040	17, 422	7, 660	9, 919
Gibraltar d.....					5, 831	22, 369	18, 107	8, 480
Portugal d.....					7, 900	7, 380		7, 634
Argentine Republic d.....					5, 670	9, 447	11, 226	5, 875
Canary Islands d.....					760			5, 344
All other countries e.....	364, 000	71, 000	153, 000	328, 000	75, 405	45, 409	70, 841	19, 505
Total.....	23, 215, 000	23, 928, 000	33, 120, 000	30, 251, 000	32, 355, 865	31, 918, 542	33, 721, 767	32, 829, 816

^a Figures for 1901, 1902, 1903, and 1904 from "The Commercial Philippines in 1906," and for 1905, 1906, 1907, and 1908 from the annual report of the insular collector of customs for 1908.

^b See "China," for years 1901, 1902, 1903, and 1904.

^c Figures include value of exports to Hongkong during 1901, 1902, 1903, and 1904.

^d Figures for 1901, 1902, 1903, and 1904 included under "All other countries."

^e Under this heading are included exports to Egypt for 1901, 1902, 1903, and 1904 amounting to \$320,000, \$1,000, \$3,000, and \$2,000, respectively.

EXHIBIT No. 8.

Comparative statement showing the quantity and destination, by fiscal years, of the principal products exported from the Philippine Islands.

	1903.	1904.	1905.	1906.	1907.	1908.
HEMP (tons):^a						
United States.....	70,526	60,912	72,196	61,068	57,469	48,045
United Kingdom.....	50,968	59,939	48,856	42,723	46,861	53,760
British Australasia.....	1,573	1,983	2,009	1,826	1,722	2,031
Belgium.....	180	231	113	236	570	1,897
Hongkong.....	3,959	2,438	1,790	885	1,766	1,621
British East Indies.....	778	1,060	1,922	1,048	1,148	1,546
Japan.....	1,778	1,060	1,922	1,048	1,148	1,546
Netherlands.....	1,195	1,242	1,940	1,666	1,546	1,543
Germany.....		970	315	14	484	1,383
France.....	686	67	42	256	347	905
Italy.....		269	140	144	649	601
Spain.....	94	29	73	47	182	431
Canada.....	32	90	63	167	34	122
China.....		35	105			
Austria-Hungary.....					317	89
All other countries.....	168	477		319		31
Total.....	130,159	129,742	128,564	110,399	112,895	114,005
SUGAR (tons):^a						
United States.....	33,891.3	11,444.4	56,948.1	7,187	6,506.3	48,697.2
United Kingdom.....	6,261.9		491		9,605.4	13,114.3
Hongkong.....	26,648.8	28,292.2	30,586.6	74,909.4	50,093	46,697.5
China.....	8,495.1	11,730	19,148.6	38,350.6	50,220.5	36,348.4
Japan.....	34,592.1	22,511	4,674.7	3,342.4	1,967.6	4,239.1
British East Indies.....					2.3	315.5
Total^b.....	109,889	78,977	111,849	123,789	118,395	149,322
COPRA (tons):^a						
United States.....	60.1	171.3	201.8		1,092.1	2,921
United Kingdom.....	7,697.4	3,149.5	274.2	1,493.9	902.1	1,947.9
France.....	75,186.3	39,486.8	22,189.2	38,876.2	26,810.6	46,806

Spain.....	4,515.8	6,541.6	10,752.2	14,948.7	8,386.3	10,741.9
Germany.....	4,232.6	1,490.9	1,513.2	5,533.1	8,003.9	4,766.5
British East Indies.....	2,199.8	1,136.9	1,254.1	2,076.8	1,367	2,989.1
Belgium.....						2,506.8
Italy.....		298.2	596.4	397.5	1,245	2,403.2
Portugal.....	315.2	496.9	29.8	108.3		99.6
Japan.....	230.3	5	101	19.8	1	50
Russia.....	422.5		44.5			
Hongkong.....	.1		6.5			
French East Indies.....					498	
All other countries.....	1,207.9	551.1		657.8		
Total b.....	96,068	53,277	36,963	65,112	48,306	75,212
CIGARS (number): ^c						
China.....			49,735,660	41,277,617	52,239,068	47,746,584
Australia.....			6,059,808	11,200,571	10,428,046	13,115,462
Straits Settlements.....			7,857,821	6,308,658	8,456,951	11,088,978
England.....			5,258,583	9,956,576	11,106,243	8,356,487
Spain.....			3,230,170	3,115,260	6,267,708	5,604,000
India.....			1,779,614	4,291,376	4,203,799	5,528,157
Japan.....			584,727	339,615	4,778,695	3,988,352
High seas.....			862,782	8,130,419	3,030,680	3,083,294
Germany.....			747,007	3,579,465	2,447,087	2,990,445
France.....			1,875,000	3,640,900	3,296,605	2,601,275
South Africa.....					1,364,952	1,947,820
Java.....			476,167	226,400	768,175	1,365,106
Canada.....			116,153	522,600	1,216,500	1,292,267
Indo-China.....			502,910	256,449	554,131	780,834
Holland.....			55,000	208,500	428,600	770,095
South America.....			752,137	1,553,100	1,946,000	672,535
New Zealand.....			131,716	672,649	802,426	665,454
Gibraltar.....				600,150	463,500	518,000
Italy.....			273,570	744,050	489,250	478,795

^a Figures for 1903, 1904, 1905, and 1906 are from "The Commercial Philippines in 1906," for 1907, furnished by the insular collector of customs, and for 1908 from his annual report for that year.

^b Even tons.

^c Figures for 1905, 1906, 1907, and 1908 are from the annual reports of the collector of internal revenue and for fiscal years, with the exception of the year 1905, which is for period from August 1, 1904, to July 31, 1905, inclusive.

PHILIPPINE TARIFF BILL.

EXHIBIT No. 8—Continued.

Comparative statement showing the quantity and destination, by fiscal years, of the principal products exported from the Philippine Islands—Continued.

	1903.	1904.	1905.	1906.	1908.	1908.
CIGARS (number)—Continued.						
Siam.....				74, 675	460, 275	440, 700
Belgium.....			25, 500		291, 990	428, 605
Scotland.....			19, 700	6, 025	360, 070	361, 150
Malta.....					285, 250	340, 250
Korea.....			16, 296	121, 130	306, 075	339, 779
Canary Islands.....				330, 000	220, 000	320, 000
Austria.....					515, 000	252, 000
Honolulu.....			144, 500	202, 030	156, 975	129, 025
Egypt.....			43, 050	32, 500	37, 000	121, 200
North Africa.....					10, 850	80, 000
Denmark.....				1, 199, 080	587, 350	75, 000
Siberia.....					750	62, 300
Portugal.....					37, 300	53, 700
Guam.....				22, 000	28, 100	44, 000
Norway.....						30, 000
United States.....			167, 693	231, 206	82, 175	29, 570
Arabia.....					21, 475	22, 025
Switzerland.....			82, 175	318, 629	4, 375	18, 000
Russia.....				11, 280		14, 054
Turkey.....						11, 000
New Guinea.....					23, 509	2, 100
East Africa.....					3, 125	
Morocco.....					30, 000	
Samoa Islands.....					10, 000	
Persia.....			5, 000		5, 000	
Central Africa.....					1, 600	
Africa.....			455, 391	162, 632		
Guatemala.....				6, 000		
Total.....	81, 258, 130	94, 341, 542	117, 766, 660	115, 768, 509		

CIGARETTES (number): ^a					
China.....	8, 924, 655	18, 347, 177	152, 506, 287	40, 706, 017	
Korea.....		155, 250	240, 000	23, 115, 762	
India.....	211, 820	163, 450	675, 654	2, 931, 125	
Indo-China.....		240, 280	91, 904	1, 390, 400	
Japan.....	113, 816	17, 828	20, 548	1, 136, 500	
High seas.....	245, 341	622, 449	562, 500	1, 065, 375	
Straits Settlements.....	666, 990	705, 336	1, 737, 100	1, 004, 255	
England.....	697, 194	25, 950	307, 682	223, 225	
Siam.....			1, 567, 500	191, 820	
Guam.....	159, 700	165, 000	210, 000	171, 000	
New Guinea.....			91, 750	126, 100	
Java.....	27, 785	85, 500		60, 400	
Australia.....	263, 528	97, 278	120, 335	57, 952	
Holland.....			3, 000	37, 500	
Italy.....				33, 600	
Egypt.....				30, 000	
Siberia.....		450		21, 600	
France.....	1, 040, 000	100, 000	3, 000	20, 000	
New Zealand.....			4, 200	15, 305	
United States.....	191, 916	135, 984	4, 500	11, 800	
Spain.....	1, 231, 325	54, 400	9, 269	9, 075	
Scotland.....				8, 000	
Germany.....		56, 062	59, 508	7, 700	
Belgium.....		22, 500	92, 000	7, 500	
Switzerland.....	821, 430	4, 200		5, 000	
East Africa.....				240	
South America.....		63, 750		145	
South Africa.....			40, 000		
Gibraltar.....			2, 500		
Denmark.....			575		
Canada.....	14, 765				
Total.....	14, 910, 265	21, 062, 844	158, 349, 812	72, 387, 396	

^a Figures for 1905, 1906, 1907, and 1908 are from the annual reports of the collector of internal revenue and for fiscal years, with the exception of the year 1905, which is for period from August 1, 1904, to July 31, 1905, inclusive.

EXHIBIT No. 9.

Comparative statement showing the quantity and destination, by fiscal years, of leaf tobacco exported from the Philippine Islands ^a.

Countries.	1903.	1904.	1905.	1906.	1907.	1908.
	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.
United States.....	244,377	211	.....	107,923	.....	.....
United Kingdom.....	309,731	10,349	21,950	221,712	364,499	22,483
Germany.....	18,009	59,952	5,731	44,288	298,194	4,437
France.....	33,816	755,277	378,157	360,053	1,448,031	1,607,574
Spain.....	14,624,495	13,073,021	13,455,065	12,453,220	14,874,242	14,306,673
Austria-Hungary.....	3,284,877	3,425,488	473,356	4,561,561	3,734,454	4,833,867
Belgium.....	709,989	99,297	559,139	1,075,113	2,569,929	4,884,709
Netherlands.....	576,210	728,279	205,147	898,518	4,436,779	153,568
Portugal.....	193,045	374,416	226,400	45,448	136,209	.....
China.....	3,209	1,038	14,642	18,245	149,451	559,524
Hongkong.....	6,358	8,510	103,461	104,884	334,960	352,347
Japan.....	6,116	4,607	30,799	39,890	22,397	52,027
British East Indies.....	315,514	230,332	195,400	20,072	73,048	13,623
Dutch East Indies.....	91,627	73,652	106,923	226,685	155,083	83,576
Uruguay.....	101,522	155,457	122,667	270,727	224,661	156,838
British Australasia.....	16,459	21,014	17,773	26,556	6,928	14,016
Gibraltar.....	.....	.....	.....	.....	314,361	118,148
Switzerland.....	.....	.....	.....	.....	1,921	.....
Argentine Republic.....	.....	.....	.....	.....	5,298	5,298
Canary Islands.....	.....	.....	.....	.....	10,600	15,900
French East Indies.....	.....	.....	.....	.....	1,257	.....
Italy.....	.....	.....	.....	.....	423	.....
Auckland, Fiji, etc.....	.....	.....	.....	.....	106	.....
French Africa.....	.....	.....	.....	.....	.....	212
Egypt.....	3,384	.....	329,740	.....	.....	.....
Hawaii.....	6,729	3,476	5,155	.....	.....	.....
All other countries.....	.....	.....	.....	.....	748,307	.....
Total.....	20,630,168	19,044,290	16,276,266	21,359,892	29,911,138	23,184,820

^a Figures for 1903-1906 from "The Commercial Philippines in 1906," for 1907 furnished by the insular collector of customs, and for 1908 from his annual report for that year.

EXHIBIT No. 10.

Comparative statement of the number of tons of sugar exported annually from the Philippine Islands, as shown by various tables and reports.

Calendar year.	A		B		C		D		E		F	
	Tons.		Tons.		Tons.		Tons.		Tons.	Values.	Tons.	Per cent total exports.
1890.....	129,322		147,526		147,521		142,552		7,266,798			33.70
1891.....	123,408		166,414		166,410		167,016		5,698,949			27.29
1892.....	225,712		246,941		246,141		247,203		7,766,326			40.54
1893.....	223,501		261,518		261,537		261,686		10,370,574			46.63
1894.....	188,076		194,319		192,409		207,317		5,474,422			33.11
1895.....			230,923		226,168		231,083		6,068,485			32.22
1896.....			229,913		221,775		229,439					
1897.....			202,092		202,078		202,000					
1898.....					178,347		166,228					
1899.....	92,953				89,610		93,053		3,458,370		13,246	3.8
1900.....	64,025				62,693		62,301		2,397,144		77,073	12.3
1901.....					55,755		55,399		2,549,147		55,691	8.6
1902.....					96,715		97,038		3,342,473		66,797	10.0
1903.....					88,042		83,959		3,324,554		109,889	9.9
1904.....					84,865		85,675		3,092,734		73,977	7.2
1905.....					101,231		106,784		5,073,233		111,850	3.4
1906.....					124,384		123,789		4,863,865		123,813	14.8
1907.....											118,395	11.5
1908.....											149,323	17.2

A Figures from report of collector of customs of the Philippine Islands, dated May 31, 1901.

B Figures from Bulletin No. 14, section of foreign markets, Department of Agriculture.

C Figures furnished by Mr. J. F. Macleod, of Manila.

D Figures from an article on the cultivation of sugar cane, by Commissioner Luzuriaga, in Vol. IV of the Census of the Philippine Islands.

E Figures from "The Commercial Philippines in 1906."

F Figures from the annual report of the insular collector of customs for 1908, and are for fiscal years.

G The largest exportation of sugar was in 1893, when 261,686 tons were exported. The export figures for 1895 given in "The Commercial Philippines in 1906"—336,073 tons—are about 100,000 tons too much. The value of sugar exported during 1895 is given as \$6,068,485, which, were 336,073 tons exported, would cause the selling price per ton to be but \$18, whereas the lowest price quoted in Smith Bell & Co.'s circulars during 1895 is \$27 per ton. The correct export figures for 1895 are undoubtedly in the neighborhood of 226,000 tons—\$27 per ton.

EXHIBIT No. 11.

Sugar crop of 1893, as estimated by Commissioner Luzuriaga.^a

Provinces.	Tons.	Provinces.	Tons.
Negros.....	125,000	Bataan.....	1,875
Pampanga and Tarlac.....	43,750	Laguna.....	1,875
Batangas.....	40,625	Bohol.....	1,250
Iloilo and Concepcion.....	37,500	Tayabas.....	1,250
Cebu.....	18,750	Ilocos Norte.....	1,250
Cavite.....	11,250	Ilocos Sur.....	625
Capiz.....	6,250	Nueva Ecija.....	625
Antique.....	5,000		
Pangasinan.....	3,125	Total.....	300,000

^a Figures taken from an article on the cultivation of sugar cane in Volume IV of the Census of the Philippine Islands.

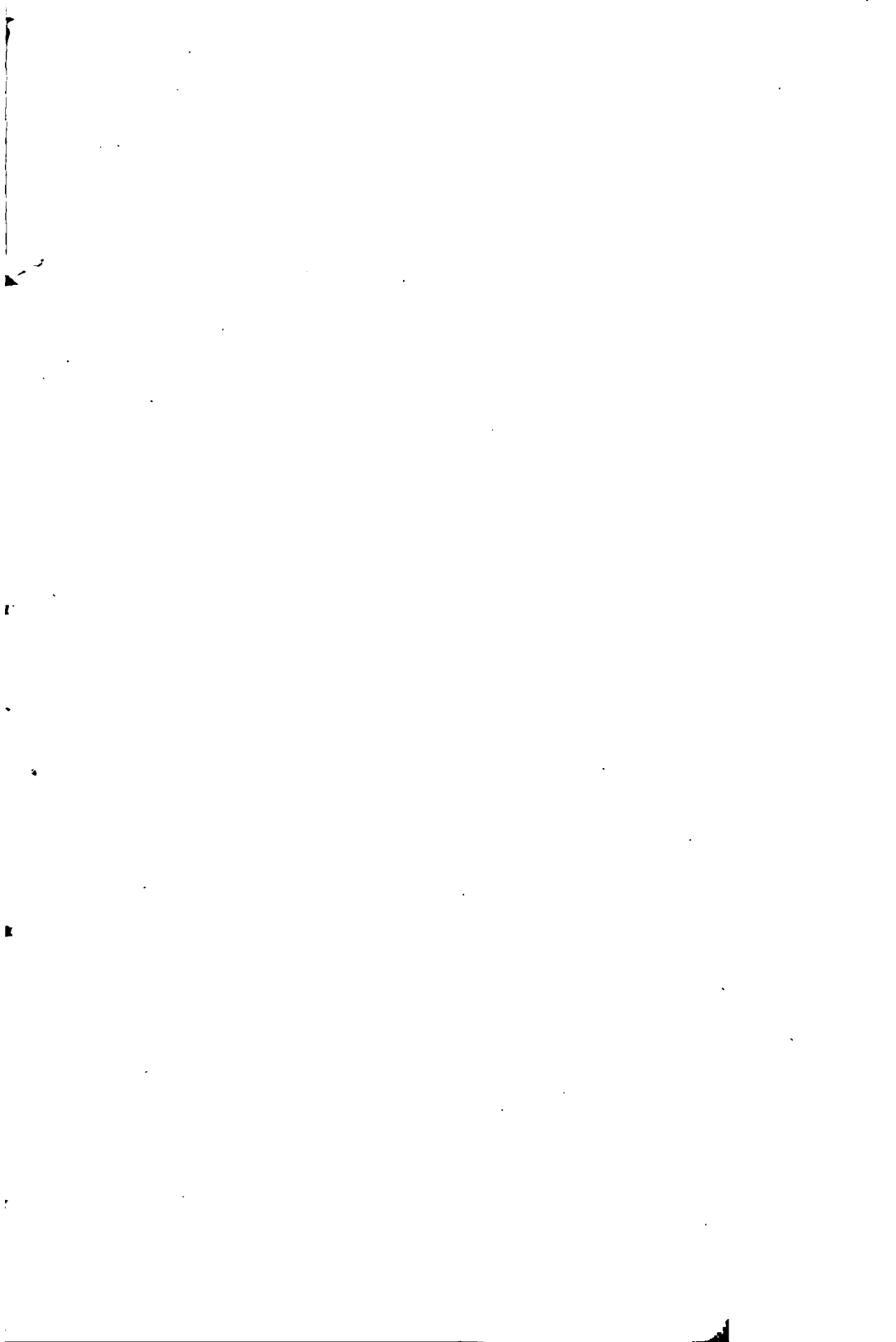


EXHIBIT No. 12.

Comparative statement showing values of shipments of principal commodities from the United States to Porto Rico and of imports into Porto Rico from foreign countries during the fiscal years 1901 to 1908.^a

Commodity.	1901.	1902.	1903.	1904.	1905.	1906.	1907.	1908.
BREADSTUFFS, INCLUDING WHEAT								
FLOUR:								
United States b.....	\$935, 009	\$1, 040, 079	\$1, 185, 313	\$1, 084, 694	\$1, 255, 481	\$1, 395, 257	\$1, 656, 436	\$1, 656, 368
All other countries.....	11, 028	12, 763	15, 203	15, 086	25, 771	34, 153	(c)	(c)
COTTON, MANUFACTURES OF:								
United States.....	1, 384, 881	2, 060, 826	2, 044, 470	1, 670, 005	2, 301, 724	2, 419, 121	3, 678, 247	2, 815, 467
All other countries.....	233, 142	119, 475	117, 522	123, 582	101, 747	143, 987	(c)	(c)
FIBERS, VEGETABLE, ETC., MANUFACTURES OF:								
United States.....	19, 072	30, 100	47, 265	73, 842	79, 603	143, 901	166, 640	117, 665
All other countries.....	116, 854	123, 876	116, 683	120, 857	166, 500	179, 097	(c)	(c)
FRUITS AND NUTS:								
United States.....	20, 473	26, 458	31, 939	29, 456	36, 997	49, 579	86, 204	82, 688
All other countries.....	35, 000	38, 388	33, 266	34, 381	29, 855	32, 166	(c)	(c)
GLASS AND GLASSWARE:								
United States.....	19, 830	28, 116	33, 943	40, 063	58, 582	69, 734	103, 564	90, 813
All other countries.....	9, 920	9, 865	13, 279	8, 422	11, 023	17, 158	(c)	(c)
IRON AND STEEL, AND MANUFACTURES OF:								
United States.....	431, 577	1, 171, 136	1, 434, 350	1, 013, 061	1, 555, 684	3, 240, 649	3, 888, 637	3, 452, 770
All other countries.....	104, 813	205, 966	178, 716	61, 363	220, 651	162, 057	(c)	(c)
LEATHER, AND MANUFACTURES OF:								
United States.....	86, 724	234, 331	309, 886	283, 961	336, 722	441, 652	882, 050	667, 061
All other countries.....	152, 344	124, 704	105, 957	103, 919	82, 565	92, 832	(c)	(c)
MEAT AND DAIRY PRODUCTS:								
United States.....	961, 001	1, 336, 646	1, 463, 121	1, 192, 016	1, 407, 729	1, 800, 671	2, 311, 227	2, 391, 205
All other countries.....	72, 308	201, 966	214, 997	221, 379	201, 624	212, 359	(c)	(c)
PAPER, AND MANUFACTURES OF:								
United States.....	66, 507	110, 222	116, 892	115, 296	170, 158	171, 812	234, 998	248, 791
All other countries.....	47, 078	40, 621	32, 711	40, 687	43, 253	52, 260	(c)	(c)

[illegible]

^a Figures from "Commercial Porto Rico in 1906," and "Monthly Summary of Commerce and Finance of the United States" for June, 1908.

^b Domestic shipments only are included under this head in this table.

^c Figures not available.

^d Include both domestic and foreign.

^c Total foreign shipments included.

EXHIBIT No. 13.

Total values of imports and exports of merchandise, domestic and foreign, into and from Porto Rico, 1887 to 1908. ^a

[Values prior to 1899 were reduced to a gold basis calculated by average monthly rates of exchange at San Juan in the years named.]

Year.	Imports.			Exports.			Excess of imports.	Excess of exports.
	From United States.	From other countries.	Total.	To United States.	To other countries.	Total.		
1887.....	\$2, 317, 681	\$6, 023, 107	\$8, 340, 788	\$3, 614, 666	\$4, 997, 106	\$8, 611, 772	\$1, 928, 724	\$270, 984
1888.....	2, 784, 054	8, 826, 343	11, 610, 397	2, 587, 282	7, 094, 391	9, 681, 673	2, 438, 678	.....
1889.....	2, 961, 645	8, 152, 378	11, 114, 023	2, 371, 233	6, 304, 112	8, 675, 345	6, 042, 190	.....
1890.....	3, 094, 257	11, 553, 804	14, 648, 061	2, 008, 385	6, 597, 486	8, 605, 871	5, 602, 752	.....
1891.....	2, 894, 691	10, 644, 824	13, 539, 515	1, 895, 892	6, 040, 871	7, 936, 763	684, 444	.....
1892.....	b 2, 856, 003	10, 807, 089	13, 663, 102	c 3, 248, 007	9, 750, 651	12, 998, 658	.....	.....
1893.....	3, 209, 937	8, 990, 236	12, 200, 173	1, 889, 238	9, 905, 874	11, 795, 112	405, 061	.....
1894.....	3, 086, 832	9, 494, 800	12, 581, 632	1, 547, 705	9, 454, 398	11, 002, 103	1, 579, 529	.....
1895.....	2, 259, 838	7, 743, 402	10, 003, 240	1, 803, 451	7, 255, 158	9, 058, 609	944, 631	.....
1896.....	2, 555, 534	9, 201, 823	11, 757, 357	1, 641, 269	10, 153, 862	11, 795, 131	.....	37, 774
1897.....	b 1, 988, 888	.....	d 10, 725, 563	c 2, 181, 024	.....	d 11, 155, 963	.....	430, 400
1898.....	b 1, 505, 946	5, 851, 547	9, 805, 916	c 2, 414, 356	6, 698, 984	10, 156, 541	.....	350, 625
1899 ^e	3, 954, 369	3, 037, 391	9, 989, 505	3, 457, 557	3, 261, 922	6, 719, 479	3, 377, 006	.....
1900 ^f	6, 952, 114	1, 926, 728	8, 918, 136	3, 350, 577	3, 002, 679	6, 353, 256	274, 320	.....
1901 ^g	h 6, 965, 408	2, 952, 957	13, 209, 610	i 8, 378, 766	4, 055, 190	12, 433, 956	775, 654	.....
1902 ^g	h 10, 882, 653	2, 326, 957	13, 209, 610	i 8, 378, 766	4, 055, 190	12, 433, 956	.....	639, 793
1903 ^g	h 12, 245, 845	2, 203, 441	14, 449, 286	i 11, 051, 195	1, 037, 884	15, 089, 079	.....	3, 096, 874
1904 ^g	h 11, 210, 060	1, 958, 969	13, 169, 029	i 11, 722, 826	4, 543, 077	16, 265, 903	.....	2, 173, 306
1905 ^g	h 13, 974, 070	2, 562, 189	16, 536, 259	i 15, 633, 145	3, 076, 420	18, 709, 565	.....	1, 429, 865
1906 ^g	h 19, 224, 881	2, 602, 784	21, 827, 665	i 19, 142, 461	4, 115, 069	23, 257, 530	.....	.....
1907 ^g ^j	h 25, 686, 285	3, 580, 887	29, 267, 172	i 22, 070, 133	4, 926, 167	26, 996, 300	2, 270, 872	.....
1908 ^g ^j	h 22, 677, 376	3, 148, 289	25, 825, 665	i 25, 891, 261	4, 753, 209	30, 644, 470	.....	4, 818, 805

^a 1887 to 1896, calendar years; from Bulletin No. 13, 1898, Department of Agriculture.

^b Exports from United States to Porto Rico; fiscal year.

^c Imports into United States from Porto Rico; fiscal year.

- d* Calendar year; from report of San Juan Chamber of Commerce for the year 1904.
- e* Calendar year; figures include coin and bullion, imported, \$115,279; exported, \$104,963. From report of War Department.
- f* Calendar year; from Monthly Summary of Commerce and Finance, Bureau of Statistics, July, 1901.
- g* Fiscal years.
- h* Shipments to Porto Rico.
- i* Shipments from Porto Rico.
- j* Figures from Monthly Summary of Commerce and Finance of the United States for June, 1908.

EXHIBIT No. 14.

Comparative statement showing the values, by fiscal years, of the principal products shipped from Porto Rico to the United States and exported to all other countries.^a

Commodity.	1901.	1902.	1903.	1904.	1905.	1906.	1907.	1908.
SUGAR, BROWN:								
United States.....	\$4, 695, 104	\$5, 890, 089	\$7, 467, 579	\$8, 688, 951	\$11, 925, 575	\$14, 184, 319	\$14, 770, 354	\$18, 690, 149
All other countries.....	20, 507	213	2, 543	1, 863	229	348	(b)	(b)
TOBACCO:								
Leaf—								
United States.....	116, 944	107, 203	135, 080	260, 813	421, 652	476, 539	1, 077, 014	1, 582, 559
All other countries.....	232, 062	62, 620	59, 777	25, 293	16, 230	4, 068	(b)	(b)
Cigars—								
United States.....	296, 021	1, 543, 253	1, 746, 483	1, 454, 784	2, 146, 846	3, 069, 576	4, 235, 225	3, 407, 747
All other countries.....	10, 094	5, 982	7, 312	5, 712	5, 205	4, 650	(b)	(b)
FRUITS AND NUTS:								
United States—								
Oranges.....	84, 388	51, 364	230, 589	352, 394	125, 311	295, 585	469, 168	630, 666
All other.....	20, 889	19, 507	56, 994	74, 585	125, 536	201, 109	310, 015	528, 670
All other countries.....	5, 022	4, 854	5, 520	6, 881	5, 053	6, 164	(b)	(b)
COFFEE:								
United States.....	4, 305	27, 031	718, 531	279, 461	201, 642	27, 069	23, 031	16, 157
All other countries.....	1, 674, 460	3, 168, 631	3, 252, 043	3, 623, 796	1, 939, 367	3, 454, 033	(b)	(b)
COTTON:								
United States.....				15, 601	105, 870	122, 520	22, 410	52, 600
All other countries.....		104			32, 516	95, 215	(b)	(b)
ALL OTHER ARTICLES:								
United States.....	423, 486	740, 319	695, 939	596, 237	580, 713	765, 744	1, 162, 916	982, 713
All other countries.....	1, 060, 514	812, 786	710, 689	879, 532	1, 077, 820	550, 591	(b)	(b)
TOTAL TO—								
United States.....	5, 641, 137	8, 378, 766	11, 051, 195	11, 722, 826	15, 633, 145	19, 142, 461	22, 070, 133	25, 891, 261
All other countries.....	3, 002, 679	4, 055, 190	4, 037, 884	4, 543, 077	3, 076, 420	4, 116, 069	4, 926, 167	4, 753, 209
Total.....	8, 643, 816	12, 433, 956	15, 089, 079	16, 265, 903	18, 709, 565	23, 257, 530	26, 996, 300	30, 644, 470

^a Figures for 1901–1906 from “Commercial Porto Rico in 1906,” and for 1907 and 1908 from the “Monthly Summary of Commerce and Finance of the United States” for June, 1908.

^b Figures not available.

EXHIBIT No. 15.

Comparative statement showing the quantities, by fiscal years, of the principal products shipped from Porto Rico to the United States and exported to all other countries.^a

Commodity.	1901.	1902.	1903.	1904.	1905.	1906.	1907.	1908.
SUGAR, BROWN (tons): ^b								
United States.....	61,250	82,061	100,912	111,264	121,124	183,278	182,209	209,466
All other countries.....	274	2	31	27	2	4	(c)	(c)
TOBACCO:								
Leaf (pounds)—								
United States.....	525,834	601,250	770,224	2,385,498	2,195,723	1,396,533	2,800,624	4,228,708
All other countries.....	4,037,802	859,877	1,403,854	719,256	317,548	47,437	(c)	(c)
Cigars (M)—								
United States.....	11,013	70,053	67,243	59,185	87,569	113,223	128,826	105,917
All other countries.....	818	625	723	396	392	358	(c)	(c)
COFFEE (pounds):								
United States.....	29,565	227,560	6,314,686	2,415,559	1,519,149	303,455	177,476	129,322
All other countries.....	12,127,675	26,678,839	28,812,999	31,914,413	15,330,590	28,086,867	(c)	(c)
CORRON (pounds):								
United States.....	.....	.....	.....	126,722	399,481	518,411	82,624	181,009
All other countries.....	.....	1,346	.....	.....	114,641	397,080	(c)	(c)

^a Figures for 1901-1906 from "Commercial Porto Rico in 1906," and for 1907 and 1908 from the "Monthly Summary of Commerce and Finance of the United States," for June, 1908.

^b Fractions of tons omitted.

^c Figures not available.

EXHIBIT No. 16.

Comparative statement of the value of exports from Porto Rico, by countries, during the eight fiscal years ending June 30, 1908, in the order of their relative importance during 1908.^a

Country.	1901.	1902.	1903.	1904.	1905.	1906.	1907.	1908.
Cuba.....	\$1, 110, 048	\$648, 518	\$611, 199	\$835, 722	\$1, 355, 123	\$1, 582, 904	\$1, 910, 387	\$1, 484, 304
Spain.....	596, 023	576, 496	756, 523	645, 998	538, 430	813, 479	863, 500	843, 360
France.....	473, 470	1, 479, 932	1, 294, 578	1, 578, 536	382, 828	634, 311	975, 462	677, 414
Austria-Hungary.....	55, 979	342, 071	267, 533	469, 778	102, 073	274, 932	527, 651	626, 578
Germany.....	140, 772	326, 422	342, 827	354, 212	47, 774	136, 106	128, 528	553, 328
Italy.....	88, 935	221, 135	250, 581	184, 333	139, 483	210, 011	283, 123	320, 113
Netherlands.....	1, 405	19, 665	17, 828	34, 808		39, 898	33, 857	79, 465
Santo Domingo.....	38, 954	17, 472	19, 518	20, 339	26, 697	46, 914	41, 916	48, 049
Gibraltar.....	5, 441	4, 077	12, 865	5, 420	2, 864	8, 076	28, 623	20, 703
Sweden.....	3, 965	17, 413	5, 454	8, 236	1, 222	4, 335	13, 622	18, 883
Belgium.....	1, 619	6, 192	1, 362	7, 327	969	11, 723	17, 250	18, 499
United Kingdom.....	3, 990	17, 982	4, 021	6, 625	41, 548	134, 380	32, 620	17, 619
Dutch West Indies.....	4, 916	6, 044	6, 427	10, 413	19, 743	3, 439	3, 109	17, 423
Danish West Indies.....	16, 094	22, 670	17, 045	9, 956	12, 112	11, 141	11, 678	8, 591
Canary Islands.....			17, 794					4, 141
Denmark.....	18, 697	3, 318	17, 591	1, 974	2, 425	7, 465	8, 272	3, 921
French Africa.....						2, 618	1, 242	3, 900
British West Indies.....	56, 371	62, 544	43, 441	38, 133	53, 594	23, 659	1, 564	2, 334
Canada.....	341, 699	249, 915	288, 065	313, 929	329, 638	166, 513	43, 119	1, 420
Venezuela.....	334	28	1, 425	285	12, 118	599	80	745
Haiti.....	503	19	26	555	876	553	336	583
Uruguay.....	666		828				200	630
Bolivia.....								520
Colombia.....	300	375		179	542	330		500
French West Indies.....	42, 483	32, 382	26, 787	12, 815	1, 266	669		88
Argentina.....	15							70
Ecuador.....								28
Mexico.....		20			5, 009	936	13	
British India.....				1, 534			15	
Russia in Europe.....			18					

Guiana:						
British					86	78
French			42, 148	7, 970		
Total	3, 002, 679	4, 055, 190	4, 037, 884	4, 543, 077	3, 076, 420	4, 115, 069
						4, 926, 167
						4, 753, 209

^a Figures for 1901-1906 from "Commercial Porto Rico in 1906," and for 1907 and 1908 from the "Monthly Summary of Commerce and Finance of the United States" for June, 1908.



